

# Social Security Bulletin

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## Social Security in Review

THE FISCAL YEAR ended June 30, 1943, was the seventh full year of operation under the Social Security Act, which became effective in August 1935. It also marked the end of the "depression decade" of Federal emergency programs for public aid instituted in the years of catastrophic unemployment and drought.

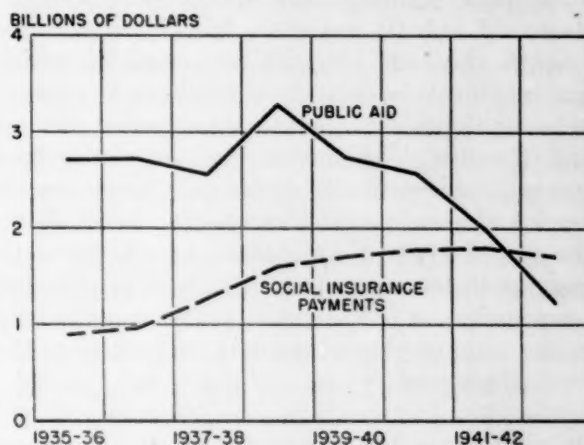
As employment and pay rolls rose, first under the stimulus of the defense program and then under pressure of war, the programs established in the 1930's to give work or relief to needy persons were cut down or abolished. By June 1943, all had been liquidated or were in the final stages of that process. Total payments for public aid, which at one time (January 1934) amounted in a month to as much as 6.6 percent of all income payments in the United States, in June 1943 represented only 0.7 percent. While public aid was declining, there was continued development of programs of the Federal Government, the States, and the localities to provide benefits based on prior employment as an offset to the wage losses sustained by workers and their families through unemployment, death or injury of the breadwinner, and old age.

The fiscal year 1942-43 marked a significant interchange in the roles of public aid and social insurance and related programs. Total payments under the latter, which exceeded public aid for the first time in May 1942, were consistently higher than the relief totals throughout the fiscal year (chart 1). This change reflects the end of a decade in which expenditures for social security, in the broad sense of that term, were predominantly on an emergency basis and for persons who were in need because work was lacking. It marks the ascendancy of permanent measures under which government, employers, and workers are contributing systematically to ensure protection of workers against risks to earning which confront nearly all members of the population in good times as in bad.

The shift to a war economy, which began to affect all aspects of the Board's programs in 1941-42, was intensified in 1942-43. The precipitate drop in unemployment benefit payments was the most spectacular indication of the high level of employment, which was also reflected indirectly in the retarded rate of increase in beneficiaries of old-age and survivors insurance and in the rise in the number whose monthly payments were suspended because they were working in covered employment. Although the public assistance programs were, by their very nature, less affected by increased opportunities for employment, the total numbers of aged and blind recipients declined from the June 1942 level, and substantially fewer families were receiving aid to dependent children.

THE PUBLIC AID PROGRAMS included in June 1942 the three special types of public assistance under the Social Security Act, general assistance, subsistence payments certified by the Farm Security Administration, and the Federal work programs

Chart 1.—Amount expended for public aid and for social insurance and related payments in the continental United States, fiscal years 1935-36—1942-43<sup>1</sup>



<sup>1</sup> See footnotes 3, 4, and 5, table 1, page 63, for types of income payments included in these categories.

of the Work Projects Administration, Civilian Conservation Corps, National Youth Administration, and other Federal agencies operating projects financed from Federal emergency funds. By June 1943, significant amounts were paid only for the special types and general assistance.

Expenditures for public assistance and for Federal work programs in the continental United States, which totaled \$135.7 million in June 1942, dropped in every month but one during 1942-43 and in June 1943 amounted to \$77.3 million. The aggregate for the fiscal year was \$1,154 million, in contrast to \$1,885 million the year before. Liquidation of the WPA was responsible for most of the decline in the course of the year, although expenditures for general assistance also declined sharply. Payments for the special types of public assistance, on the other hand, increased from \$64.5 million in June 1942 to \$67.4 million in June 1943. Of the total amount expended during the year, the special types accounted for 69 percent, general assistance for 12 percent, and WPA earnings 19 percent; in 1941-42 the proportions were 40, 12, and 38 percent.

The rise in payments to the needy aged and blind and to dependent children in all States represented increases in individual payments to meet in part the rise in the cost of living, rather than expansion of the programs. In fact, the numbers of recipients of old-age assistance and of families receiving aid to dependent children dropped in every month of the year, and the number of blind recipients decreased somewhat over the period. The general assistance rolls had 42 percent fewer cases at the end of 1942-43 than in June 1942, although the amount of payments decreased only 34 percent. As pointed out elsewhere in this issue, however, the increases in assistance payments have not been sufficient, in general, to cover the increased costs of goods and services and the loss of resources represented by food stamps and agricultural surpluses. The increased burden of assisting families who are ineligible for the special types of assistance and who have no member in the labor force or have a wage earner temporarily out of work or ill will fall most heavily in the coming year on general assistance, as the residual program.

OF THE SOCIAL INSURANCE and related programs represented by the data shown in the chart, the

governmental retirement and disability systems and workmen's compensation were in operation when the Social Security Act became law. The two insurance programs established by that act, as well as the two established by the Railroad Retirement and Railroad Unemployment Insurance Acts, are still in the relatively early stages of growth. Nevertheless, beneficiaries of old-age and survivors insurance and the railroad retirement system constituted 46 percent of the 1.9 million individuals receiving monthly retirement, disability, and survivor insurance benefits and lump-sum payments at the end of the year. In addition, some 1.3 million persons received payments at some time during the year under State unemployment compensation laws and railroad unemployment insurance.

Old-age and survivors insurance benefits certified in 1942-43 totaled \$156 million, of which \$139 million represented monthly benefits and \$17 million lump-sum payments. The total amount certified was 34 percent more than in 1941-42, and monthly benefits were 36 percent more. In June 1943, benefits were in force for 796,000 individuals, at a monthly amount of \$14.5 million. Aside from the fact that both the number of beneficiaries and the monthly amount had risen one-third from the previous year's level, the main change in benefit payments in force came in the proportion which were in suspension, mainly because of receipt of wages for covered employment. From June 1942 to June 1943 the number of beneficiaries whose payments were suspended more than doubled—from 47,000 to 97,000—and as a proportion of all beneficiaries they rose from 7.9 to 12.2 percent. Primary benefits, which constituted 60 percent of all benefits in suspension on June 30, 1942, represented only 55 percent a year later; child's benefits, on the other hand, increased from 13.6 to 16.1 percent, and widow's current benefits from 12.9 to 15.7 percent, of all benefits in suspension.

At the end of March an estimated 65 million persons, or 62 percent of the total population aged 14 and over, had social security accounts. In the first 3 quarters of the fiscal year 6.1 million persons applied for account numbers, 31 percent more than applied in the first 3 quarters of the preceding fiscal year. The main groups from which new entrants are being drawn into the system are housewives, school children, and

workers in noncovered employments, such as domestic service and, to some extent, agriculture. The number of women applicants in the first 3 quarters of the fiscal year rose 59 percent from 1941-42, while the number of Negroes increased more than 41 percent. Women applicants outnumbered the men in each quarter of 1942-43, and in the third quarter 60 percent of all applicants were women. Negroes constituted 13.5 percent of all applicants in the first quarter and 15.1 percent in the third; most of this increase was accounted for by Negro women and girls entering covered employment for the first time.

Fuller employment, higher wage rates, and longer working hours were reflected in the amount of contributions collected, which totaled \$1,130 million, one-fourth more than in the preceding year. The cumulative total of collections through June was \$4,560 million. Total assets in the old-age and survivors insurance trust fund at the end of June amounted to \$4,268 million, one-third more than at the end of June 1942.

Total unemployment benefits dropped to \$176 million in 1942-43, less than half the amount expended a year earlier, and the 1.3 million individuals who received payments constituted only one-fourth the 1941-42 number. In June 1942, \$30.2 million was paid in unemployment benefits to a weekly average of 553,000 individuals; this June the weekly average was 100,256 and payments totaled \$5.9 million. Collections deposited during the year to State accounts in the unemployment trust fund amounted to \$1,217 million, a rise of 11 percent from 1941-42.

DEFINITE ACTION for the protection of men and women of the armed forces when they are demobilized was outlined by President Roosevelt in a report to the Nation on July 28. The Government's plans to effectuate such protection, which are part of the larger objective of reconverting wartime America to a peacetime basis, will be submitted to the Congress for action, the President said. The returning servicemen "must not be demobilized into an environment of inflation and unemployment," the President declared. "The least to which they are entitled, it seems to me," he continued, "is something like this:

"1. Mustering-out pay to every member of the armed forces and merchant marine when he or she is honorably discharged, large enough in each case

to cover a reasonable period of time between his discharge and the finding of a new job.

"2. In case no job is found after diligent search, then unemployment insurance if the individual registers with the U. S. Employment Service.

"3. An opportunity for members of the armed services to get further education or trade training at the cost of their Government.

"4. Allowance of credit to all members of the armed forces, under unemployment compensation and Federal old-age and survivors insurance, for their period of service. For these purposes they should be treated as if they had continued their employment in private industry.

"5. Improved and liberalized provisions for hospitalization, rehabilitation, and medical care of disabled members of the armed forces and merchant marine.

"6. Sufficient pensions for disabled members of the armed forces."

A brief description of several of the laws enacted during the past year for veterans and their survivors will be found elsewhere in this issue. In general, the legislation extends to veterans of the present war the provisions governing payments and services to veterans of other wars. In addition, provisions for certain benefits to survivors of veterans have been liberalized, as have allowances to veterans who have no dependents and are receiving hospitalization or institutional or domiciliary care.

MORE DETAILED PROPOSALS on post-war demobilization of both civilian and military personnel are contained in a report, released July 30, of the Conference on Post-War Readjustment of Civilian and Military Personnel, set up by the National Resources Planning Board on July 6, 1942, at the President's authorization. The Conference report, which parallels closely the main points outlined by the President for demobilization of and services for the armed forces, seeks "chiefly to provide a framework for a more detailed and precise structure." Two main assumptions have governed the recommendations for post-war readjustment: that a complete and integrated national policy respecting the demobilization period will be developed, and that a special organization and a special use of existing organizations will be required for the direction and execution of the program.



The Conference regards the maintenance of full employment as a major objective of the demobilization and readjustment process, and it believes that full employment "is a goal not impossible to attain." "An improved social security program and a program to provide full employment," it declares, "should be regarded as the two parts of a single enterprise. Neither alone is adequate to deal with the needs of the readjustment period, and each serves to supplement the other. The Government's first efforts should be to stimulate the development of private employment; the second, if need requires, to provide an adequate program of employment through the development of a program of public work and services; and third, to protect individual workers during the readjustment period and under other conditions when employment is unavailable."

The report points out certain improvements in the social security system which "would have a very beneficial effect in expediting post-war readjustment. The release of workers from war

employment, their movement, and their employment in peacetime industry are problems that extend beyond the jurisdiction of the several States and are national in character. Any developments in the unemployment compensation program that tend to iron out the inequalities as between the different States and to establish national standards with respect to coverage, amount of benefits, and the period over which they apply, and that will improve and strengthen the general administration of the program by the Federal Government, will be of benefit in the reconstruction process."

Moreover, the report declares, the "improvement and extension of the system of old-age and survivors insurance would have a desirable effect in removing from the labor market older employees who have been drawn into it or kept from retiring by the war emergency. The extension of this form of insurance to cover those engaged in agriculture would produce a similar effect in this employment field."



# The Prevalence of Disability Recorded Through Four Monthly Sample Surveys

BARKEV S. SANDERS AND DAVID FEDERMAN \*

SINCE DISABLING ILLNESS is a major threat to the economic security of workers and their families, the Social Security Board has been interested in obtaining current information on its prevalence and duration. Such information has been obtained from sickness surveys conducted from time to time in particular communities, among special population groups, or in a single area. Machinery has been lacking, however, for periodic enumeration of the disabled at regular intervals through a scientifically constructed, representative population sample.

The monthly survey of the labor force initiated by the Work Projects Administration, and now carried on by the Bureau of the Census, presented an unusual opportunity for obtaining periodic information on the extent of disability among the population canvassed. In 1942, the Bureau of Research and Statistics of the Social Security Board entered into an arrangement with the WPA, continued later with the Census Bureau, to obtain basic information on disabling illness in conjunction with the monthly survey. While limitation of funds has made it impracticable to repeat the sickness inquiry every month, so far it has been included in the surveys made in May, June, and August 1942, and February 1943.

## Scope of the Inquiry

The Monthly Report on the Labor Force is based on data for selected households in 64 counties in 45 States, and is designed to give a representative cross section of the labor force. It reaches more than 20,000 households including 55,000 persons aged 14 and over. The same households are canvassed for about 6 consecutive months. The sickness inquiries in May, June, and August 1942 were made with the same sample group of households; for February 1943 another sample was used. The survey is conducted in the second complete week of the month and covers, as the census week, the first complete week.

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To keep the sickness inquiry to a minimum, only two questions<sup>1</sup> were asked concerning each canvassed member of the household:

"Was this person unable to engage in ordinary activities for 1 day or more last week because of illness, injury, or physical or mental disability?" When the answer was "yes," it then was asked,

"For how many days was this person unable to engage in ordinary activities last week [the census week] because of illness, injury, or disability?"

An outstanding advantage of the methodology used in these surveys arises from the fact that the error resulting from lapse of memory is reduced to a minimum by limiting the inquiry to days of disability in the census week preceding the week of the canvass. On the other hand, these inquiries have certain limitations:

(a) Since the questions are so worded as to ascertain the extent of disability for usual or customary pursuits, many who would be unable to pursue gainful work but are not bedridden are not reported as disabled—that is, persons who may have enough disability so as to be excluded from the labor force are not counted as disabled if they can carry on their "normal" activities. Among persons under age 65 who were reported as "unable to work," only about 30 percent, on the average, reported disability on an average day during the census weeks.

(b) The survey is limited to the noninstitutionalized civilian population. It therefore does not include persons in penal institutions, hospitals, institutions for care of tuberculosis or mental and nervous disorders, homes for the aged or chronically ill, and the like.

(c) The inquiries provide no direct information on the aggregate duration of the disability, nor is there information to show whether or not the disability commenced or terminated during the census week.

(d) No information is obtained on the cause

<sup>1</sup> In February, 2 questions were added for persons reported disabled during the entire census week: "Was this person still disabled on the day of the canvass," and (if so) "was he receiving or expecting to receive a cash sickness benefit in lieu of lost earnings?"

**Table 1.—Estimated number and percent of persons in the noninstitutional civilian population aged 14 and over who were disabled for their usual activity, on an average day in census week, by employment status**

Employment status	Number (in thousands)	Percent
Total.....	3,000	3.1
Employed.....	1,000	1.9
Unemployed.....	250	11.1
Engaged in home housework.....	750	2.5
In school.....	100	1.3
Unable or too old to work:		
Under age 65.....	500	31.0
Age 65 and over.....	400	10.7

of disability, and, as in almost all other sickness surveys, the member of the household furnishing the information is the judge as to what constitutes disability.

### **Prevalence of Disability**

From the survey returns for the 4 months, it is possible to estimate the prevalence of disability—that is, the percentage disabled on an average day—for the total civilian noninstitutional population aged 14 and over, and for various groups in that population, classified by employment status (table 1). In these estimates equal weight has been given to the returns for each month, under the assumption that February represents the winter, May the spring, and August the summer; and that June, being intermediate between May and August, is perhaps not unlike an autumn month with respect to prevalence of illness. It is probable that this equal weighting unduly lowers the estimated extent of illness for an average day of the year, since 3 of the 4 census weeks were in months when there is relatively little illness. Taking this seasonal limitation and other recognized limitations into consideration, the figures developed here should be regarded as minimum estimates of disability for the noninstitutional civilian population in ages 14 and over.

On an average day, at least 3 million persons—3.1 percent—aged 14 and over are sufficiently disabled to be reported unable to engage in their usual activities. Among persons aged 14 and over who were reported as having a gainful job, at least 1 million were away from the job on an average day because of disability; for February 1943 the number was 1.4 million. These figures, however, fail to reflect the full loss of manpower because of disability. Many of the unemployed

would have been gainfully occupied except for disability, and the majority of persons under age 65 who reported themselves unable to pursue gainful work should be counted among potential workers. Taking these aspects into consideration, the total loss to the labor force through disability is more accurately represented by adding to the million disabled among the employed about 250,000 disabled workers for whom no job was being held (reported as disabled and “unemployed”) and all the 1.6 million persons under 65 years of age who were reported as “unable to work,” though less than one-third of these latter were reported unable to pursue their usual activities on an average census day. Thus in all about 2.8 million potential workers, or approximately 5 percent of the 1942 labor force, were reported unable to pursue gainful work because of disability, exclusive of potential workers in institutions of one kind or other who are disabled.

It should not be assumed that the loss of 2.8 million potential workers on each average day represents the total burden of illness on the productive capacity of the Nation. It has been conservatively estimated that for every absence on account of illness there are at least two workers who are sufficiently ill to have only 50–90 percent of their normal productivity but who continue working to the detriment of themselves and society.<sup>2</sup> Besides these workers, there are large numbers of handicapped persons with reduced capacity for work. Finally, there is the loss from premature death. To assess the total weight of sickness and accidents on the productive capacity of the Nation, all these should be taken into consideration.

There were marked variations in the percentage of persons in the various employment status groups who were reported disabled on an average day within the census week. The lowest percentage of disability was among the school group, 1.3 percent.<sup>3</sup> This is not surprising, considering the well-known relationship between age and disability. Next in increasing order of extent of disability are the employed, of whom 1.9 percent was reported disabled. This figure also is not surprising, since persons with a day or more of disability in the census week who were reported as

<sup>2</sup> Rankin, W. S., “The Economics of Medical Service,” *American Journal of Public Health*, Vol. 19, No. 4 (April 1929), pp. 359–365.

<sup>3</sup> In August the group classed “other” for employment status was included with “in school.”

employed were those who had already returned to their jobs at the time of the canvass or who knew that their jobs were being held for them. By and large, jobs will be held only for a limited time; consequently, most persons with prolonged disability who are actually or potentially in the labor force will be reported as unemployed or unable to work. The third group comprises persons engaged in "home housework"; the percent disabled among these was 2.5. It is highly probable that less rigid criteria of ability to engage in usual activities are applied to this group than to a group such as the employed. Had the same criteria been applied, a much larger proportion of these would have been found disabled. These three groups have rates below the general disability rate—3.1 percent—for all persons aged 14 and over.

The remaining groups show a much higher proportion of persons unable to pursue usual activities on an average day. In increasing order they are: persons "too old to work" in ages 65 and over, 10.7 percent; the unemployed—i. e., persons who were looking for work or anticipated looking for work upon recovery—11.1 percent; and persons under 65 years of age and "unable to work," of whom 31.0 percent were reported disabled on an average census day. In considering generally the actual extent of disability among the noninstitutional civilian population aged 14 and over, at least all those in ages under 65 who were reported "unable or too old to work" should be counted among the disabled. Their inclusion gives a total of more than 4 million disabled on an average census day instead of the 3 million shown in table 1.

#### Duration of Disability

The average duration of disability (table 2) is restricted to disability within the census week. For all persons represented by the survey the average is 4.4 days or nearly two-thirds of the possible maximum. The lowest figure—3.2 days—is for those in school. The average for the employed is 3.7 days and for those engaged in own home housework, 4.1 days. For the group "unable or too old to work" and for the unemployed the averages are 5.7 and 6.1 days, respectively.

These averages are strongly affected by the proportion of persons in the various groups who were reported disabled during the entire week. For all persons, irrespective of work status, 42 percent of

**Table 2.—Percentage distribution of disabled persons<sup>1</sup> within each employment status group, by number of days of disability in census week**

Days during census week	Employment status					
	All persons	Employed	Unemployed	Engaged in own home housework	In school	Unable or too old to work
Total.....	100.0	100.0	100.0	100.0	100.0	100.0
1 day.....	16.5	25.8	5.4	14.9	30.8	4.1
2 days.....	16.8	20.0	4.5	19.9	23.5	9.6
3 days.....	12.1	12.1	3.1	16.4	12.1	8.7
4 days.....	6.5	6.7	4.8	8.5	6.2	4.7
5 days.....	3.7	3.7	2.1	5.0	2.2	3.0
6 days.....	2.5	3.1	3.3	2.9	2.6	1.0
7 days.....	41.9	28.6	76.8	32.4	22.6	68.9
Average number of days of disability.....	4.4	3.7	6.1	4.1	3.2	5.7

<sup>1</sup> In the noninstitutional civilian population aged 14 and over.

those reported disabled were disabled for all 7 days. For the "in school" group, the proportion disabled during the whole week was 23 percent; for the employed, 29 percent; for those engaged in own home housework, 32 percent. The corresponding figures for persons unable or too old to work and for the unemployed were 69 and 77 percent, respectively. In considering these variations one must remember that the criteria of disability differ for the various groups. This fact undoubtedly explains the more favorable showing of the group "unable or too old to work" as compared with the unemployed. It should be emphasized again that the durations given are with reference to the census week. Thus, for persons who reported 1 day of disability, that day might represent the last day of a disability which had lasted weeks, months, or even years, or it might represent the first day of disability which might last indefinitely.

#### Sex, Age, and Type of Community

Variations in the extent and duration of disability were found also with respect to sex, age, place of residence, and season. These variations undoubtedly are markedly influenced by the limitation of the observation period to the census week and by the definition of disability—inability to pursue one's usual activities. Some of the variation may be explainable also in terms of sampling errors, especially for the categories in which the sample is relatively small.

Among both males and females in the civilian noninstitutional population aged 14 years and over, 3.1 percent were disabled for their customary



**Table 3.—Percent of men and women <sup>1</sup> disabled on an average day in census week, and average number of days of disability experienced by all persons disabled at some time in the week, by age group**

Age group	Percent disabled on average day		Average number of days of disability among all persons disabled in census week	
	Men	Women	Men	Women
Total, 14 years and over.....	3.1	3.1	4.4	4.4
14-19.....	1.6	1.9	3.9	3.9
20-24.....	2.3	2.5	3.9	4.2
25-44.....	2.2	2.5	4.0	4.2
45-64.....	3.6	3.3	4.7	4.4
65 and over.....	7.4	7.3	5.1	4.9

<sup>1</sup> In the noninstitutional civilian population aged 14 and over.

pursuits on an average day in the census week (table 3). That this figure is the same for the two sexes must be attributed to a difference in the criteria of disability for persons in the labor force, which includes most of the men, and for those in less exacting pursuits like housework, which includes most of the women. The prevalence of disability is least in ages 14-19; for both sexes, it increases progressively with age, though these studies disclose no significant difference between the age groups 20-24 and 25-44 years. The sharpest increase appears at age 65 and over, when the rate is 7.4 percent for males and 7.3 percent for females, more than twice the average for the entire group aged 14 and over. There is also a somewhat higher prevalence for females in ages under 45 than for males, a difference which can undoubtedly be attributed to conditions related to childbearing.

For duration of disability in the census week among persons who were disabled a day or more, the average is identical for men and women. There is also a progressive increase in the average duration with increase in age, though the progression is much more moderate than the rise in prevalence with age; for ages under 45, there are no substantial age differences for males and very little among females.

Among the employed, irrespective of sex, in the age groups 14-24, 25-64, and 65 and over, the prevalence of disability is 1.4, 2.0, and 3.3 percent, respectively. The age gradient is somewhat less steep than for the population at large, since persons who remain in jobs, particularly at the more advanced ages, are undoubtedly in better physical condition than are most persons in that

age group. The variation of average duration of disability with age among the employed is even less than that observed among persons in the general population.

Differences in the prevalence of disability and duration of disability within the census week are found among groups classified on the basis of type of community. Of the noninstitutional civilian population aged 14 and over, the percent disabled on an average day and the average duration of the disability during the census week are shown in the following tabulation:

Type of community	Percent disabled on an average day		Mean duration of disability (days) in census week among those disabled at some time in week	
	Males	Females	Males	Females
5 largest cities.....	3.6	3.1	4.9	4.4
Urban.....	2.8	3.0	4.4	4.4
Rural.....	3.2	3.3	4.3	4.3

For males, reported disability is highest in the five metropolitan centers included in the survey—

**Table 4.—Percentage of all persons in the noninstitutional civilian population aged 14 and over and of employed persons reported disabled during specified census week, by number of days of disability within the week**

Days disabled	Census week			
	May 3-9, 1942	June 7-13, 1942	Aug. 2-8, 1942	Feb. 7-13, 1943
General population				
Total.....	100.00	100.00	100.00	100.00
0 days.....	94.57	95.61	94.22	94.04
1 day.....	1.06	.66	.60	.92
2 days.....	.86	.77	.71	.97
3 days.....	.69	.49	.48	.72
4 days.....	.29	.29	.27	.43
5 days.....	.20	.16	.16	.22
6 days.....	.09	.17	.12	.12
7 days.....	2.18	1.79	1.74	2.53
Unknown.....	.06	.06	1.70	.05
Employed persons				
Total.....	100.00	100.00	100.00	100.00
0 days.....	96.35	96.86	96.33	94.89
1 day.....	1.04	.78	.73	1.22
2 days.....	.75	.66	.54	.99
3 days.....	.52	.28	.32	.66
4 days.....	.21	.21	.20	.36
5 days.....	.13	.11	.13	.12
6 days.....	.08	.16	.09	.18
7 days.....	.89	.90	.86	1.53
Unknown.....	.03	.04	1.80	.05

<sup>1</sup> Some August schedules were lost and 1 county was not canvassed for sickness.

New York, Chicago, Philadelphia, Detroit, and Los Angeles—and lowest in counties with a population of 45,000 or over, designated as urban. For females the differences are much smaller, with the greatest prevalence in rural counties, i. e., those with less than 45,000 population, and the least in urban counties. In the average duration of disability in the census week, there is no significant difference for the groups of women in the three types of areas and little for the men.

### Seasonality

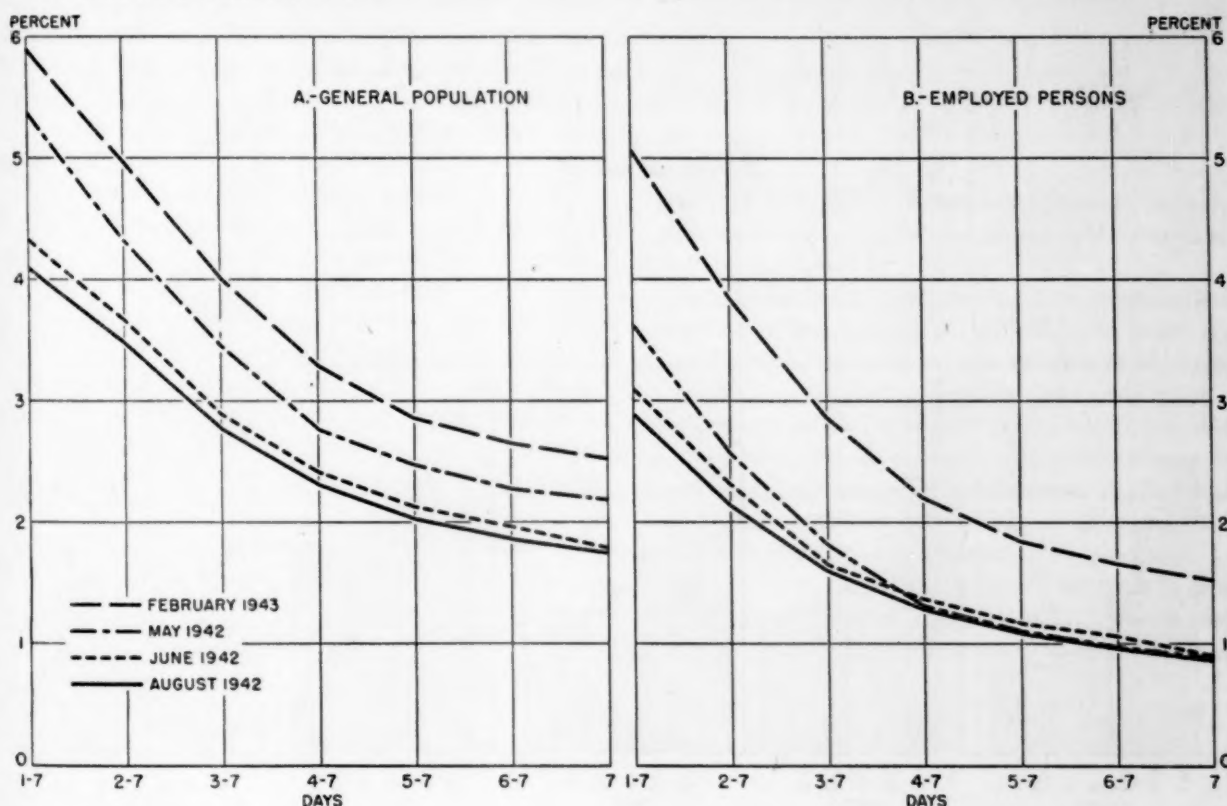
Both for all persons in the population sampled and for employed persons, there were marked variations in the percentages disabled in the various survey months (table 4 and chart 1). The relatively high percentage of replies classified as "unknown" in August reflects the loss of some schedules en route and failure to conduct the special sickness inquiry in one county in that month. Other variations are attributable to seasonal factors and to sampling errors in reporting. For

employed persons there is an additional factor in the change in the age, sex, and occupational composition of the sample between May 1942 and February 1943.

When cases for which data were not ascertainable are excluded, August shows distinctly the least amount of disabling illness and February the most. Among all persons aged 14 years or more, 4.1 percent reported 1 or more days of disability during the August census week, while for February the corresponding percentage was 5.9. August was also the most favorable month for employed persons; 2.9 percent reported 1 or more days of disability, compared with 5.1 percent in February.

The relative differences between February and August are somewhat greater for employed persons than for all persons aged 14 and over. Both for the general population and for employed persons, the February to August differences decrease steadily as disabilities of shorter duration in the census week are excluded (chart 1). One marked difference in the seasonal pattern of sick-

Chart 1.—Percent of all persons aged 14 and over in the noninstitutional civilian population and of all employed persons who were reported disabled for specified number of days during 4 census weeks, May, June, and August 1942, and February 1943



ness between the employed and the entire population is that in the former there is relatively little difference between the observations for the month of May and those of June and August with respect to disabilities lasting 4 days or longer.

The seasonal pattern differs somewhat for persons in different age groups (chart 2). The seasonal effect is most pronounced among persons in younger ages, especially in disabilities of short duration. Thus, for the short-term disabilities, the February excess of disability over August definitely diminishes with advancing age. On the other hand, for the longer durations of disability in the census week, the decrease in the difference between the February and August rates is less noticeable with age and is actually reversed for those in ages 65 and over. On the basis of these limited observations, it would therefore seem that the marked seasonality of disability among persons in younger ages is due to the relatively large number of disabilities of short duration.

For the aged, who suffer disabilities of relatively longer duration, the effect of season is less marked.

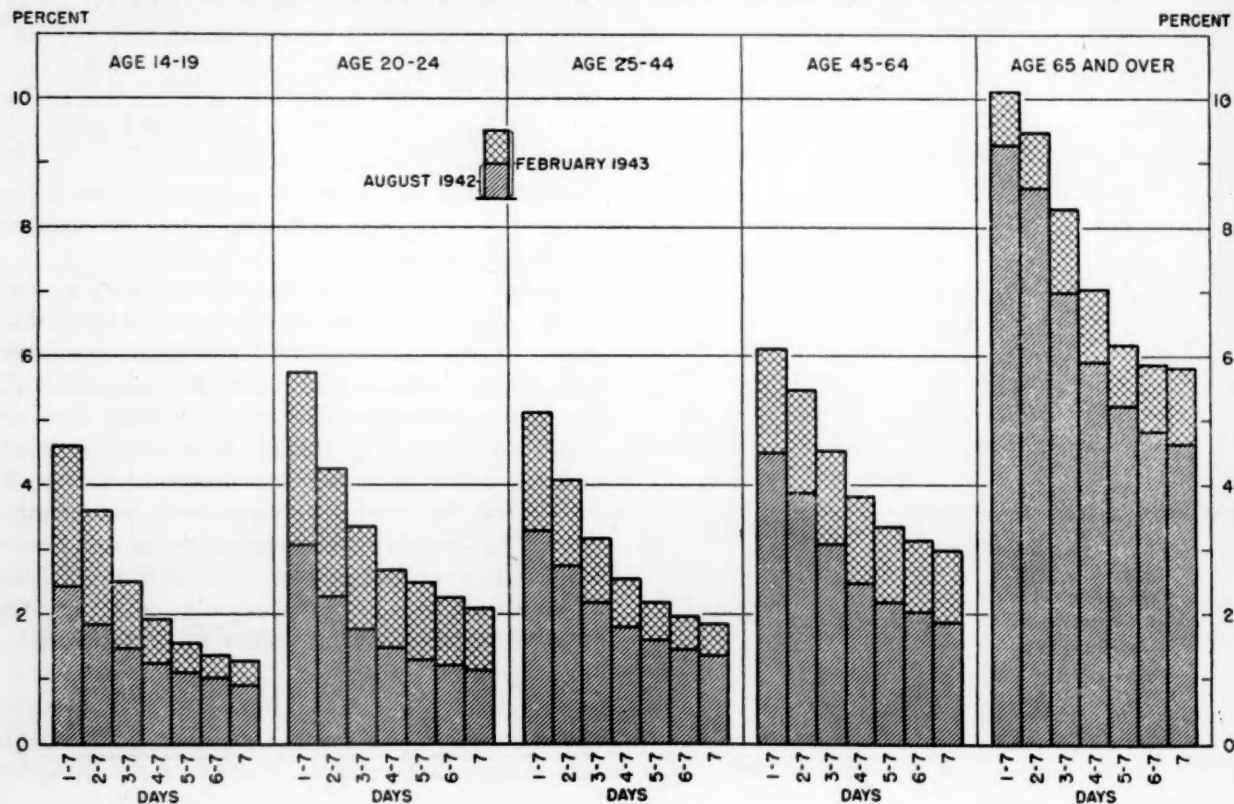
Moreover, their short-duration disabilities are if anything less seasonal than disabilities which last 7 days or longer. This probably indicates that relatively few disabilities among the aged last less than a week and that recovery is somewhat slower in winter months than in summer.

The influence of seasonality among employed persons also declines for persons in older ages (chart 3). This decline is at a much lower rate than that observed in the general population. Among the employed, as in the general population, the younger persons show a more marked seasonality in illnesses of short duration than in illnesses spanning the survey week. Among the aged employed, the seasonal effect on short-term disabilities in the census week is almost nonexistent.

### Incidence and Duration

Reporting of disability in these surveys was restricted to that within the census week. By making certain reasonable assumptions, however, it is possible to derive other measures of disability, namely, incidence—the frequency with

**Chart 2.—Percent of all persons in specified age groups in the noninstitutional civilian population who were reported disabled for specified number of days during the 2 census weeks, August 1942 and February 1943**

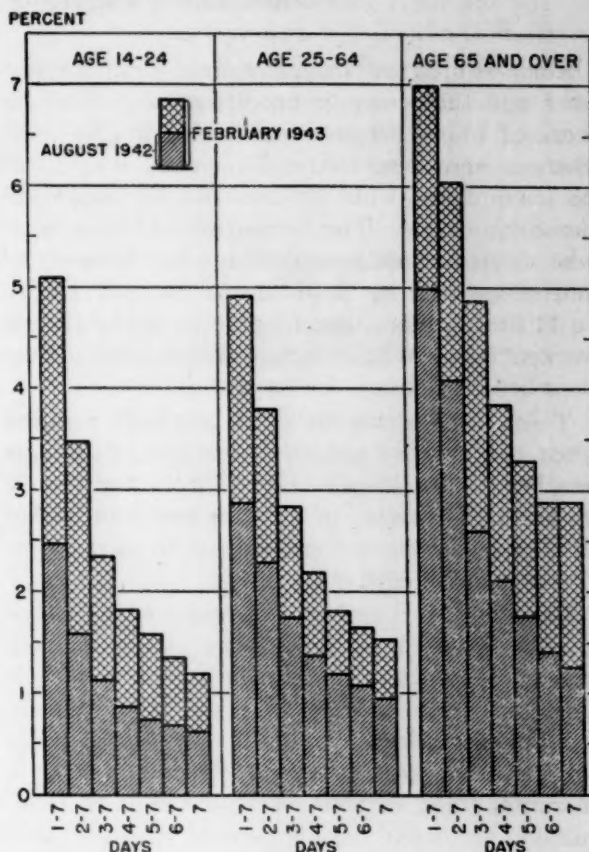




which cases of disability occur—and the estimated duration of disability, without limiting such derivative estimates to the week of the canvass. Because of the interrelations between work status and duration of disability, such extrapolations give results which have many limitations and elements of uncertainty. It may be sufficient to indicate that when the returns are translated into cases of disability per 100 persons exposed per year there appears to be an incidence rate of about 110 cases per 100 persons. Again, on the basis of certain permissible assumptions, the average duration of disability per person per year derived from these surveys is 11 days. The limitations of the study must not be overlooked in evaluating these generalized measures of incidence and average duration of disability per person per year.

The present inquiries indicate a lower rate of disability than that for the National Health Survey—3 million as compared with 6 million for the latter.<sup>4</sup> This difference undoubtedly is due to differences in the definition of disability and in the time and scope of the surveys. The definition used in the National Health Survey would have classified as disabled nearly all the persons under age 65 who reported, in response to the present inquiries, that they were able to follow their usual pursuits but unable to work; in the present inquiry these persons were not classified as disabled. The National Health Survey included persons of all ages, instead of limiting itself to those 14 and over. Moreover, it included persons in hospitals and was made almost wholly in winter months when morbidity is higher than in most of the months used for the present sample studies. In addition, the National Health Survey was made in a period of widespread unemployment, when relatively slight disabilities may have kept potential workers from seeking or getting jobs, while in 1942 many employers had relaxed

Chart 3.—Percent of all employed persons in specified age groups who were reported disabled for specified number of days during 2 census weeks, August 1942 and February 1943



their requirements. When allowance is made for all these factors, the results of the two surveys are roughly comparable.

Being relatively inexpensive, these periodic field canvasses—the results of which have been discussed here—can be made readily, especially because the disability inquiries are only part of the regular labor force survey. Despite all their limitations, they give results of considerable value in gauging the increase or decrease in disability and, when repeated frequently, will add significantly to the fund of knowledge of the variations in disability in different periods of the year, among different sections of the county, and among different occupational or industrial groups.

<sup>4</sup> "The National Health Survey," *Public Health Reports*, Vol. 55, No. 11 (Mar. 15, 1940), p. 445. When appropriate corrections are made in the returns of the National Health Survey, the resulting prevalence for the entire population, on an average day of the year, becomes 7 million. See Falk, I. S., and Sanders, B. S., "The Prevalence of Disability in the United States With Special Reference to Disability Insurance," *Social Security Bulletin*, Vol. 4, No. 1 (January 1941), pp. 2-8.

# Duration of Unemployment Benefit Payments, Benefit Years Ended in 1941\*

UNDER THE STATE unemployment compensation laws and the economic conditions prevailing for workers whose benefit years ended in 1941, the chances were even that a beneficiary would still be unemployed when he received his final compensation check. The proportion of beneficiaries who exhausted all benefit rights fell between 40 and 60 percent in 32 of the 43 States studied.<sup>1</sup> In 11 States, more than 55 percent of the eligible workers failed to be reemployed before exhausting their benefit rights.

These high exhaustion ratios generally resulted when the average potential duration of benefits was low.<sup>2</sup> The average ranged from less than 9 weeks to 18.2 weeks; in 8 States less than half of all eligible claimants were entitled to as many as 12 weeks of benefits.

Provisions for uniform duration of benefits,<sup>3</sup> in effect in 9 States during the period studied, were more effective in tiding workers over their periods of unemployment than were the variable-duration provisions. Uniform duration of benefits for all workers, however, was not in itself a guarantee that eligible workers would be adequately protected during periods of unemployment. Substantial as well as uniform duration would appear to be one of the requirements of an adequate benefit formula.

The relatively high exhaustion ratios cannot be explained in terms of the personal character-

istics of the workers who claimed benefits during the period studied. During the present stage of the war economy, as the absolute number of unemployed tends to become stable, there may be a tendency for exhaustion ratios to increase. This may occur because workers currently claiming benefits include larger proportions of marginal workers and workers who experience relative difficulty in finding jobs. However, 1940-41, when claimants studied were unemployed and receiving benefits, was a somewhat different period from the present. While it was one of fairly good employment opportunities, considerable turn-over did occur in seasonal and consumer-goods industries. At the end of the period, particularly, large numbers of skilled and semi-skilled workers were laid off during the early stages of conversion from a peace to a war economy. High exhaustion ratios in such a period suggest that the benefit provisions of State laws are inadequate for meeting the larger-scale unemployment likely to occur during the shift back to peacetime occupations.

## *The Laws in Effect*

During benefit years ended in 1941, uniform-duration provisions were in effect in 9 of the 43 State laws covered by this study (table 1). The number of full weeks for which benefits were payable in these States ranged from 13 to 16. In the other 34 States, which provided variable duration of benefits, the fraction of base-period earnings used to determine duration ranged from 16 to 33.3 percent of a year's earnings or 16.7 percent of 2 years' earnings. Overriding maximums in these 34 States ranged from 12 times the weekly benefit amount in Missouri to 26 times in California. Table 2 classifies the 43 State laws by type of duration provision; the maximum weeks of benefits are shown in parentheses.<sup>4</sup>

Under State laws with variable-duration provisions, the number of weeks for which workers can receive benefits depends not only on the duration provision itself, but on the law's eligibility

\* Prepared in the Program Division, Bureau of Employment Security, and based on reports submitted by State employment security agencies for workers whose benefit years ended during 1941. See the Bulletin for March 1942, pp. 5-13, for an analysis of duration statistics in 27 States for claimants whose benefit years ended in 1940.

<sup>1</sup> Data from 8 States—Alaska, Delaware, District of Columbia, Indiana, Massachusetts, North Dakota, South Carolina, Wisconsin—were not available or were not usable because of major legislative changes effected during the period studied.

<sup>2</sup> Potential duration is obtained by dividing the maximum amount of money a claimant can receive in a benefit year by his weekly benefit amount. Thus, a claimant entitled to \$100 in benefits within a benefit year at a rate of \$10 a week is said to have a potential duration of 10 weeks. If he draws the full \$100 to which he is entitled, he is said to have had an actual duration of 10 weeks although he may have, in fact, received benefits in more than 10 weeks as a result of reduced benefits for partial or part-total unemployment.

<sup>3</sup> Under uniform-duration provisions, all workers who meet the eligibility requirement are entitled to a specified multiple of the weekly benefit amount, regardless of past earnings. The majority of State laws contain variable-duration provisions, under which benefits are limited to the lesser of 2 amounts—a certain multiple of the weekly benefit amount or a fraction of earnings in covered employment during a base period prior to a benefit year.

<sup>4</sup> By March 1, 1943, the duration provision in 21 State laws had been modified, in most cases made more nearly adequate (see table 1).

Table 1.—Major legislative provisions in effect during the period studied and on March 1, 1943

State	Period in which benefit years ended for claimants studied	Earnings requirement <sup>1</sup> (minimum earnings or multiple of wba <sup>2</sup> )		Percentage of wage credits <sup>3</sup> to which benefits are limited	Fraction of high-quarter earnings used to determine weekly benefit amount		Minimum potential duration (multiple of wba <sup>2</sup> )		Maximum potential duration (multiple of wba <sup>2</sup> )	
		In period studied	As of Mar. 1, 1943		In period studied	As of Mar. 1, 1943	In period studied	As of Mar. 1, 1943	In period studied	As of Mar. 1, 1943
Alabama	Jan.-Dec. 1941	\$60 (30×wba)	Unchanged	33.3	1/26	Unchanged	10	Unchanged	20	Unchanged.
Alaska <sup>4</sup>	Jan.-Dec. 1941	(14×wba) <sup>5</sup>	\$125 (25×wba)	16.7 <sup>6</sup>	1/26	Unchanged	2+	Unchanged	14	Unchanged.
Arizona	Jan.-June 1941	\$48 (10×wba) <sup>5</sup>	Unchanged	33.3	1/26	Unchanged	8+	Unchanged	16	Unchanged.
Arkansas	Jan.-June 1941	\$48 (10×wba) <sup>5</sup>	\$56 (22×wba)	33.3	1/26	Unchanged	8+	Unchanged	16	Unchanged.
California	Jan.-Dec. 1941	\$300	Unchanged	54.3-22.5	1/26	Unchanged	9	Unchanged	26	Unchanged.
Colorado	Jan.-Dec. 1941	\$150 (30×wba)	Unchanged	33.3	1/26	Unchanged	10	Unchanged	18	Unchanged.
Connecticut	July 1940-June 1941	\$120 (24×wba)	\$144	20.0	About 1/16-1/26	About 1/20-1/26	4	Unchanged	13	Unchanged.
Delaware		\$125 (25×wba)	\$144	33.3	1/26	Unchanged	4	Unchanged	13	Unchanged.
Dist. of Col. <sup>4</sup>		\$125 (25×wba)	\$144	33.3	1/26	Unchanged	4	Unchanged	13	Unchanged.
Florida	Apr.-Dec. 1941	\$180 (60×wba) <sup>5</sup>	\$200	16.7 <sup>6</sup>	1/26	Unchanged	10	Unchanged	16	Unchanged.
Georgia	Jan.-Dec. 1941	(10×wba) <sup>5</sup>	\$100 (20×wba)	16.7 <sup>6</sup>	1/26	Unchanged	10	Unchanged	16	Unchanged.
Hawaii	Jan.-Dec. 1941	\$120 (24×wba)	\$150 (30×wba)	33.3	1/26	Unchanged	2+	Unchanged	16	Unchanged.
Idaho	Jan.-Dec. 1941	\$140 (28×wba)	Unchanged	25.0	About 1/17-1/33	Unchanged	7	Unchanged	17	Unchanged.
Illinois	Mar. 31, 1941 <sup>6</sup>	\$225	Unchanged	25.0	1/26	Unchanged	4+	Unchanged	16	Unchanged.
Indiana <sup>4</sup>		(15×wba)	\$150-\$200	16.0 <sup>7</sup>	1/26	Unchanged	2+	Unchanged	16	Unchanged.
Iowa	Jan.-Dec. 1941	(10×wba) <sup>5</sup>	Unchanged	16.7 <sup>6</sup>	1/26	Unchanged	2+	Unchanged	16	Unchanged.
Kansas	Jan.-Dec. 1941	\$200	\$100-\$200	16.0	1/26	Unchanged	1	Unchanged	16	Unchanged.
Kentucky	Mar.-Dec. 1941	\$200	Unchanged	16.7 <sup>6</sup>	1/26	Unchanged	16	Unchanged	18	Unchanged.
Louisiana	Jan.-June 1941	\$94 (10×wba) <sup>5</sup>	\$60 (30×wba)	16.7 <sup>6</sup>	1/26	Unchanged	2	Unchanged	18	Unchanged.
Maine	Jan.-June 1941	\$144	Unchanged	25.0	Annual table	Annual table	16	Unchanged	16	Unchanged.
Maryland	Mar. 31, 1941 <sup>6</sup>	\$150 (30×wba)	Unchanged	25.0	1/26	Unchanged	7+	Unchanged	16	Unchanged.
Massachusetts <sup>4</sup>		\$200	\$150	30.0	1/26	Unchanged	7+	Unchanged	16	Unchanged.
Michigan	Jan.-Dec. 1941	(30×wba)	\$250	30.0	1/26	Unchanged	7+	Unchanged	16	Unchanged.
Minnesota	Jan.-Dec. 1941	(30×wba)	\$200	33.3	1/26	Unchanged	7+	Unchanged	16	Unchanged.
Mississippi	Jan.-June 1941	(10×wba) <sup>5</sup>	\$200 (30×wba)	16.7 <sup>6</sup>	1/26	Unchanged	6	Unchanged	14	Unchanged.
Missouri	Jan.-Dec. 1941	(10×wba)	\$150 (30×wba)	16.0 <sup>7</sup>	1/26	Unchanged	4+	Unchanged	12	Unchanged.
Montana	Jan.-Dec. 1941	(10×wba)	\$150	16.0 <sup>7</sup>	1/26	Unchanged	2+	Unchanged	16	Unchanged.
Nebraska	Jan.-Dec. 1941	\$150 (30×wba)	\$200	33.3	1/26	Unchanged	16	Unchanged	16	Unchanged.
Nevada	Jan.-Dec. 1941	\$200	\$200-\$450	33.3	1/26	Unchanged	10	Unchanged	18	Unchanged.
New Hampshire	Feb. 28, 1941 <sup>6</sup>	\$200	Unchanged	42.0-17	1/26	Unchanged	4+	Unchanged	14	Unchanged.
New Jersey	Jan.-Dec. 1941	\$80 (10×wba)	\$150	16.7	1/26	Unchanged	2+	Unchanged	16	Unchanged.
New Mexico	Jan.-Dec. 1941	\$20 (30×wba)	Unchanged	33.3	1/26	Unchanged	10	Unchanged	16	Unchanged.
New York	Mar. 31, 1941 <sup>6</sup>	\$175 (25×wba)	Unchanged	Ununiform duration	1/26	Unchanged	13	Unchanged	13	Unchanged.
North Carolina	Jan.-Dec. 1941	\$130	Unchanged	Ununiform duration	1/26	Unchanged	16	Unchanged	16	Unchanged.
North Dakota		20 weeks	\$150 (30×wba)	Ununiform duration	1/26	Unchanged	16	Unchanged	16	Unchanged.
Ohio	Jan.-Dec. 1941	20 weeks	\$160 and 20 weeks	Ununiform duration	50% of weekly wages	About 1/18-1/26	16	Unchanged	16	Unchanged.
Oklahoma	Jan.-Dec. 1941	(16×wba)	\$133 (22×wba)	16.7	1/26	Unchanged	2+	Unchanged	16	Unchanged.
Oregon	Dec. 31, 1940 <sup>6</sup>	\$200	Unchanged	16.7	1/26	Unchanged	2+	Unchanged	16	Unchanged.
Pennsylvania	Jan.-Dec. 1941	\$97.50 (13×wba)	\$100	12.5 <sup>6</sup>	1/26	Unchanged	3+	Unchanged	13	Unchanged.
Rhode Island	Mar. 31, 1941 <sup>6</sup>	\$100	Unchanged	30-18	About 1/9-1/20	Unchanged	1+	Unchanged	20	Unchanged.
South Carolina <sup>4</sup>		\$120 (30-40×wba)	Unchanged	Ununiform duration	1/26	Unchanged	16	Unchanged	16	Unchanged.
South Dakota	Mar. 31, 1941 <sup>6</sup>	\$120 (30×wba)	Unchanged	Ununiform duration	1/26	Unchanged	14	Unchanged	14	Unchanged.
Tennessee	Jan.-Dec. 1941	\$120 (25×wba)	\$120 (25×wba)	Ununiform duration	1/26	Unchanged	14	Unchanged	16	Unchanged.
Texas	Jan.-Dec. 1941	\$80 (16×wba)	\$120 (25×wba)	20.0	1/26	Unchanged	12+	Unchanged	16	Unchanged.
Utah	July 5, 1941 <sup>6</sup>	\$144 (30×wba)	\$150 (30×wba)	33.3	1/26	Unchanged	8	Unchanged	16	Unchanged.
Vermont	Jan.-Dec. 1941	(25×wba)	\$125 (25×wba)	33.3	1/26	Unchanged	8+	Unchanged	14-15	Unchanged.
Virginia	Mar. 31, 1941 <sup>6</sup>	\$75 (25×wba)	\$100 (25×wba)	23.0	1/26	Unchanged	6	Unchanged	16	Unchanged.
Washington	Jan.-Dec. 1941	\$200	Unchanged	23.0	1/26	Unchanged	6+	Unchanged	16	Unchanged.
West Virginia	Mar. 31, 1941 <sup>6</sup>	\$160	Unchanged	Ununiform duration	1/26	Unchanged	14	Unchanged	14	Unchanged.
Wisconsin		14 weeks	Unchanged	25.0	Annual table	Annual table	7	Unchanged	20-36 1/2 <sup>12</sup>	Unchanged.
Wyoming	Jan.-Dec. 1941	\$140 (28×wba)	Unchanged	25.0	1/26	Unchanged	7	Unchanged	14	Unchanged.

<sup>1</sup> Applies to 1-year base period unless otherwise noted.

<sup>2</sup> Wba denotes weekly benefit amount. A dollar amount preceding a multiple of wba in parentheses is the product of that multiple and the minimum weekly benefit amount.

<sup>3</sup> Not included in present study because data not available or because legislative changes made data not comparable.

<sup>4</sup> Qualifying period 3 calendar quarters.

<sup>5</sup> 2-year base period or qualifying period.

<sup>6</sup> Uniform benefit year.

<sup>7</sup> 5-quarter base period.

<sup>8</sup> 25×weekly benefit amount, but not less than \$125, effective June 1, 1941.

<sup>9</sup> Maximum raised from 14× to 15×weekly benefit amount, effective June 1, 1941.

<sup>10</sup> From any employer's account, 1/4 of week's benefit for each week of employment, not to exceed 40 weeks' employment by that employer, within 52 weeks ending with last week of employment, provided that not more than 52 weeks have elapsed since such last week.

<sup>11</sup> Varying percentage of average weekly wage.

<sup>12</sup> Depends on continuity of unemployment and number of base-period employers.



**Table 2.—State laws covered in report, classified by type of duration provision and maximum weeks of benefits (in parentheses)**

State laws with uniform-duration provisions	State laws with variable-duration provisions limiting benefits to—				
	½ of 1 year's earnings	¾ of 1 year's earnings	¾ or ¾ of 1 year's earnings	¾, 16 percent, or ¾ of 2 years' earnings	Varying proportions of 1 year's earnings
Ky. (16) Maine (16) Mont. (16) N. Y. (13) N. C. (16) Ohio (16) S. Dak. (14) Tenn. (16) W. Va. (14)	Ala. (20) Ark. (16) Calif. (26) Hawaii (16) Minn. (16) Neb. (16) N. Mex. (16) Vt. (14-15) Wash. (16)	Idaho (17) Ill. (16) Md. (16) Va. (16) Wyo. (14)	Kans. (16) N. H. (16) N. J. (16) Okla. (16) Oreg. (16) Tex. (16) Utah (16)	Ariz. (14) Fla. (16) Ga. (16) Iowa (15) La. (18) Miss. (14) Mo. (12) Pa. (13)	Calif. (26) Conn. (13) Mich. (16) R. I. (20)

requirement and method of computing the weekly benefit amount. As far as individual claimants are concerned, the higher the weekly benefit amount, the shorter the potential duration, other things being equal. That is to say, if a claimant were allowed to receive a larger amount of benefits per week under a variable-duration provision, his potential duration would be shortened, unless he was entitled to the overriding maximum number of weeks. In States with a very low minimum weekly benefit amount, one might expect to find a larger number of claimants entitled to relatively long durations, while in States with a high minimum weekly benefit amount many workers might be entitled to more substantial benefits, but for a shorter period. In practice, however, other factors generally offset this relationship. Thus, in most States with variable-duration provisions, claimants with the lowest weekly benefit amounts were entitled to the shortest potential duration (see discussion below).

Under variable-duration provisions, average potential duration is even more directly affected by qualifying requirements than by weekly benefit amounts. Stringent eligibility requirements, by denying benefits to claimants with low earnings and therefore low potential duration, yield relatively high average potential duration. On the other hand, less stringent qualifying requirements render more individuals eligible for benefits, lower the minimum number of weeks for which they qualify, and so decrease the average potential benefit duration. Because of lenient qualifying requirements and the small fraction of base-period earnings to which workers were entitled, the minimum potential duration for which workers could

qualify was less than 3 weeks in Arizona, Georgia, Iowa, Kansas, Louisiana, Missouri, New Jersey, Oklahoma, and Pennsylvania (table 1). In contrast, stricter eligibility requirements plus generally more liberal duration provisions resulted in a minimum potential duration of 10 weeks in Alabama, Colorado, Florida, Nebraska, and New Mexico.

Half of the States represented in this study have amended the duration provisions of their laws since the period studied, generally in the direction of providing more nearly adequate benefits. Thus, by March 1 of this year, 4 States had replaced variable-duration provisions with uniform-duration provisions, 9 had increased the proportion of wage credits used to determine benefit rights, and 5 others had increased the maximum number of weeks for which benefits are payable. Three other States switched to a varying proportion of wage credits in computing maximum benefits (the proportion varying with the total amount of wage credits), and one abandoned this method in favor of a proportion uniform for all workers.<sup>5</sup>

Because of these changes, the conclusions derived from this study must be qualified somewhat as far as these particular States are concerned. However, as of March 1, 1943, only 16 States provided a uniform duration of benefits for all eligible workers; in many other States, potential durations of a very few weeks were still possible.

### **Employment and Unemployment in the Period Studied**

For proper interpretation, duration statistics must be reviewed against the background of business conditions prevailing in the base periods and benefit years under consideration. Potential duration of benefits under variable-duration provisions is affected by employment conditions in the base period—roughly the calendar year 1939<sup>6</sup>

<sup>5</sup> These changes were as follows: variable to uniform duration—Georgia, Hawaii, Mississippi, Utah; maximum weeks increased under uniform duration—Ohio; increase in proportion of wage credits and in maximum weeks—Illinois, Louisiana, Missouri, New Jersey, Pennsylvania; increase in proportion of wage credits, no change in maximum weeks—Kansas, New Hampshire, Oklahoma, Rhode Island; maximum weeks increased under variable duration—Maryland, Michigan; varying proportion to fixed proportion of wage credits—Connecticut; uniform duration to varying proportion of wage credits—Maine, South Dakota; fixed proportion to varying proportion of wage credits—Minnesota.

<sup>6</sup> Base periods extended as far back as October 1937 in Arizona, Florida, Georgia, Iowa, Louisiana, Mississippi, Missouri, and Pennsylvania, all of which had a 2-year base period. In most of the other States in this report, base periods began with the last quarter of 1938.

for the data analyzed in this study; actual duration of benefits, under any type of provision, is affected by business activity in the benefit year, i. e., 1940-41 in this report, as well as by potential duration of benefits. Meaningful generalizations as to the adequacy of the duration provisions in State laws can be made only in the light of the economic circumstances under which those provisions operate. Comparisons among the States cannot be valid unless account is taken of individual State variations from national employment trends.

June 1938 marked the end of the 1937-38 recession. The moderate upward trend in employment which began in that month continued in the first 10 months of 1939. Hence, the base periods of most claimants covered by this report were characterized by fairly good employment opportunities which permitted claimants to accumulate a reasonable amount of protection under an adequate unemployment compensation law.

The upward trend in employment was reversed in the winter of 1939-40, but was resumed in March and was greatly accelerated in the latter half of 1940 as a result of the general expansion of production for defense at home and war abroad. By the end of 1941, employment of workers covered by unemployment compensation laws had increased by 3.2 million workers, to a total of 27.8 million.

This general upward trend does not tell the whole story. The drop in employment in the winter of 1939-40 was the most serious since the 1937-38 recession. Increased employment in heavy industries early in 1940 was not large enough to offset declines—larger than seasonal—in other manufacturing industries. Unusually severe weather curtailed construction operations sharply in January 1940. Throughout 1940 and 1941, seasonal declines, especially in mining, construction, transportation, finance, and service industries, tempered the general upward trend in employment throughout the Nation. Moreover, this upward trend tapered off significantly in the third quarter of 1941, and 22 States reported declines in employment in September. These declines, which continued into the last quarter of 1941, reflected the early stages of transition from a defense to a war program: shortages of essential materials, delays in delivery, priority and curtailment orders, and plant conversion.

As a result of these factors and despite higher employment levels, the total amount of benefit payments was 21 percent greater in 1940 than in 1939. As many as 35 States reported increased payments during 1940, and in 8 of them (Alaska, Arkansas, California, Florida, Massachusetts, Mississippi, Vermont, Washington), benefit disbursements increased by more than 50 percent. In 1941, however, the total number of initial claims, which reflect lay-offs of covered workers, was 23 percent below the 1940 total and benefit payments were 34 percent below. These figures were lower than in any previous year. All States except Florida, Michigan, and West Virginia shared in the decline in initial claims. Claim loads soared at the end of 1941; more than a million initial claims were filed in December compared to a half million in September.

The following tabulation compares claim and beneficiary loads in 1940 and 1941 with those in 1939 and 1942:

Year	Total number of claimants <sup>1</sup> (in thousands)	Eligible claimants <sup>1</sup>		Beneficiaries <sup>2</sup>			
		Number (in thousands)	Percent of total claimants	Number (in thousands)	Percent <sup>3</sup> of—		
					Total claimants	Eligible claimants	
1939.....	6,700	5,500	82	4,785	71	87	
1940.....	7,328	6,271	86	5,220	71	83	
1941.....	5,435	4,573	84	3,426	63	75	
1942.....	4,250	3,639	86	2,790	66	77	

<sup>1</sup> Estimated for periods for which data were not reported by some States; number of claimants assumed equal to number of new claims disposed of on first determination; number of eligible claimants assumed to equal number of claims allowed on first determination adjusted for reversals on reopened claims.

<sup>2</sup> Based on unrounded data.

<sup>3</sup> Number of beneficiaries, estimated for periods for which data were not reported by some States, assumed equal to number of first payments.

Since the industrial composition of covered employment varies widely among the States, they participated in the 1940-41 employment increases and declines in varying degrees. Throughout the following discussion the fact that the character of the State's industry greatly influences benefit experience should be borne in mind. While covered employment in some States is highly diversified, in others it is concentrated in a few important industries. Some States are dominated by highly unstable industries; in others the major industries are characterized by little employment fluctuation. Diversification of industrial activity, stability of employment, and degree

of participation in the defense boom all affected workers' chances of unemployment in individual States and were reflected in the following data.

### Potential Duration of Benefits <sup>7</sup>

Average potential duration ranged from less than 9 weeks in Kansas and Oklahoma to 17.5 and 18.2 weeks in California and Alabama, respectively (table 3). These averages hide even greater variations. In the 9 uniform-duration States,<sup>8</sup> all eligible claimants were entitled to more than 12 weeks of benefits; by contrast, there were 8 States with variable-duration provisions,<sup>9</sup> in which less than half the eligible claimants were entitled to receive benefits for as many as 12 weeks. Potential duration of 16 or more weeks was accorded to all eligible claimants in 6 uniform-duration States<sup>10</sup> and to more than 50 percent of the eligible claimants in 12 of the variable-duration States.<sup>11</sup> At the other end of the scale were 8 States<sup>12</sup> in which no claimants were entitled to receive as many as 16 weeks of benefits, and 6 others<sup>13</sup> where less than one-fifth of the eligible claimants were entitled to benefits of such duration. In 3 States,<sup>14</sup> more than 10 percent of the eligible claimants were entitled to less than 4 weeks of benefits.

These differences in number of available weeks of benefits stem largely from variations in the benefit formulas in effect, rather than from variations in economic conditions. Generally speaking, average potential duration under laws limiting benefits to one-third of base-year earnings was higher than that under laws paying a maximum of one-fourth of a year's earnings; the latter laws, in turn, gave greater potential duration than laws with smaller fractions. Minimum duration—resulting from the interaction of duration provisions and qualifying requirements—maximum duration,

Table 3.—Average potential and actual duration, ratio of actual to potential duration, and exhaustion ratio of beneficiaries, 43 States, benefit years ended in 1941

State	Average potential duration, eligible claimants	Average actual duration, beneficiaries	Ratio of average actual to average potential duration	Percent of beneficiaries exhausting benefit rights
<b>Uniform-duration States:</b>				
Kentucky	16.0	10.5	65.6	42.4
Maine	16.0	9.1	56.9	27.1
Montana	16.0	13.1	81.9	60.0
North Carolina	16.0	10.1	63.1	42.5
Ohio	16.0	10.4	65.0	33.2
Tennessee	16.0	11.1	69.3	45.7
South Dakota	14.0	10.3	73.6	45.8
West Virginia	14.0	10.1	72.1	48.5
New York	13.0	10.1	77.7	54.7
<b>Variable-duration States:</b>				
Alabama	18.2	12.3	67.6	46.0
California	17.5	12.4	70.9	48.4
Colorado	15.0	10.7	71.3	47.5
Michigan	15.0	6.4	42.7	20.0
New Mexico	15.0	11.0	73.3	47.9
Nebraska	14.9	10.9	73.2	49.2
Minnesota	14.8	11.2	75.7	55.9
Hawaii	14.7	7.5	51.0	17.9
Idaho	14.5	10.3	71.0	32.1
Florida	14.3	10.7	74.8	57.3
Maryland	14.3	9.1	63.6	41.9
Nevada	14.3	10.4	72.7	51.1
Arkansas	14.1	10.4	73.8	49.1
Virginia	14.0	8.2	58.6	44.1
Washington	13.8	9.3	67.4	48.1
Illinois	13.3	8.1	60.9	40.4
Vermont	13.3	9.1	68.4	45.5
Utah	12.9	8.9	69.0	49.9
New Hampshire	12.0	6.7	55.8	36.7
Wyoming	12.0	6.2	51.7	19.6
Texas	10.8	8.3	76.9	66.1
Iowa	10.5	7.1	67.6	57.1
Rhode Island	10.4	6.8	65.4	53.6
New Jersey	10.3	7.5	72.8	58.2
Pennsylvania	10.1	7.4	73.3	57.5
Connecticut	9.8	6.4	65.3	47.4
Oregon	9.8	6.3	64.3	50.0
Kansas	8.9	6.5	73.0	62.9
Oklahoma	8.8	6.6	75.0	69.7
Arizona	(1)	8.2	(1)	53.0
Georgia	(1)	8.3	(1)	51.7
Louisiana	(1)	8.9	(1)	57.8
Mississippi	(1)	9.1	(1)	58.7
Missouri	(1)	6.9	(1)	51.6

<sup>1</sup> Since State law provided lag-quarter redeterminations of benefit rights, potential duration could not be determined. A claimant is considered as having exhausted his benefit rights if at any time during his benefit year he had received all benefits to which he was entitled at the time, notwithstanding the fact that additional benefits may have become available to him when redetermination was made at beginning of a subsequent quarter.

and the method of computing the weekly benefit amount also had a marked effect on the distribution of claimants' potential duration.<sup>15</sup>

Thus, the variable-duration States with the highest average potential duration were those with the highest minimum potential duration. Nevada, Arkansas, and Washington, even though their laws contained the one-third fraction for computing potential duration, allowed no more,

<sup>15</sup> In the following discussion, the limited significance of average potential duration should be borne in mind. It should be clear, of course, that raising the qualifying requirement from \$100 to \$200, for example, does not increase the number of claimants who receive benefits for 16 weeks under current variable-duration provisions. Nor does merely increasing the maximum duration under these provisions benefit those who were previously entitled to less than the maximum duration.

<sup>7</sup> Data in this section relate to only 38 States. Potential duration could not be computed in the 5 States (Arizona, Georgia, Louisiana, Mississippi, Missouri) which redetermined some claimants' benefit rights each quarter during the benefit year.

<sup>8</sup> Kentucky, Maine, Montana, New York, North Carolina, Ohio, South Dakota, Tennessee, West Virginia.

<sup>9</sup> Connecticut, Iowa, Kansas, New Jersey, Oklahoma, Oregon, Rhode Island, Texas. By March 1, 1943, all these States except Iowa, Oregon, and Texas had made changes in their laws which would tend to raise potential duration.

<sup>10</sup> Kentucky, Maine, Montana, North Carolina, Ohio, Tennessee.

<sup>11</sup> Alabama, Arkansas, California, Colorado, Hawaii, Maryland, Michigan, Minnesota, Nebraska, New Mexico, Virginia, Washington.

<sup>12</sup> Connecticut, Iowa, New York, Pennsylvania, South Dakota, Vermont, West Virginia, Wyoming.

<sup>13</sup> Kansas, New Hampshire, New Jersey, Oklahoma, Oregon, Rhode Island.

<sup>14</sup> Kansas, Oklahoma, Pennsylvania.



on the average, than Idaho and Maryland, which limited benefits to one-fourth of a year's earnings. In the latter States, relatively stringent eligibility requirements exclude entirely those workers who would have been entitled to short potential duration, and thus produced higher minimum and average potential durations. Arkansas, on the other hand, by providing a lenient qualifying requirement, lowered its minimum and its average. Among the 7 States which paid workers only one-fifth or one-sixth of base-year earnings, the States with the lowest average duration were those with the lowest minimum duration—Kansas and Oklahoma.

The effect of the maximum-duration provision is equally clear. Alabama and California, with the longest maximum duration, had the longest average potential duration, longer, in fact, than that allowed under any of the uniform-duration States. By contrast, Connecticut, Iowa, Pennsylvania, Vermont, and Wyoming, which provided no more than 13–15 weeks of benefits to any claimant, had the lowest average potential duration. The effectiveness of the low maximum durations in these States in restricting benefit payments is indicated by the fact that from 32 to 77 percent of the eligible claimants were entitled to the maximum duration.

Despite the fact that the trend in employment and earnings was steadily upward during the respective base periods for the benefit years ended in 1940 and 1941, the benefit formulas yielded remarkably similar benefit rights for the average eligible claimant. Of 10 variable-duration States whose duration formulas remained unchanged throughout these benefit years and for which fairly comparable data are available, only 2 yielded average potential durations which differed by as much as half a week:

State	Benefit years ending in 1940		Benefit years ending in 1941	
	Period in which benefit years ended	Average potential duration	Period in which benefit years ended	Average potential duration
Colorado	May–December	15.1	January–December	15.0
Florida	July–December	10.2	April–December	14.3
Minnesota	July–September	15.2	January–December	14.8
Nebraska	July–December	15.1	do	14.9
New Jersey	January–December	10.2	do	10.3
New Mexico	July–December	15.1	do	15.0
Oklahoma	April–December	9.0	do	8.8
Pennsylvania	January–December	11.4	do	10.1
Vermont	May–December	13.4	January–September	13.3
Washington	July–December	13.7	January–December	13.8

The large increase in average potential duration in Florida is attributable to the application of a much more stringent qualifying requirement to benefit years beginning in April 1940. Prior to this date, claimants could qualify if they had earned 16 times their weekly benefit amount in 3 quarters or, in a later period, 30 times the benefit amount in 8 quarters. Beginning in April 1940, however, claimants who had earned less than 60 times the weekly benefit amount could not qualify; those who did qualify received benefits for at least 10 weeks.

### *Adequacy of Benefit Rights*

The potential duration of benefits provided under the laws analyzed was inadequate for many claimants. Although employment opportunities were at least fair during 1940–41, about half the beneficiaries exhausted their benefit rights before they were reemployed. The proportion of beneficiaries who exhausted all rights (the exhaustion ratio) ranged from 18 percent to 70 percent under variable-duration laws and from 27 percent to 60 percent under laws with uniform-duration provisions (table 3). Eleven States had exhaustion ratios above 55 percent.

The proportion of beneficiaries who exhausted rights before reemployment depended on their potential duration as well as employment opportunity in their State. Did the laws or economic conditions in the States with high exhaustion ratios have a common denominator? Analyses of employment conditions in such States during the period studied indicate that they may not have shared as quickly and extensively in the general employment boom which began in the spring of 1940. Indeed, many of the States with the highest exhaustion ratios suffered considerable unemployment, at some time during the period studied, in consumer-goods and the more seasonal industries, such as construction and retail trade. For example, employment in construction and retail trade dropped appreciably in the winter of 1939–40 in Iowa, Kansas, Minnesota, and Montana; in Kansas, employment in the construction industry was cut almost two-thirds between October 1939 and January 1940. This same period was marked by employment declines in the tobacco industry in Florida, in cotton-gin and cotton-milling activities in Oklahoma, and in retail trade in Pennsylvania and

Texas. Later in 1940, employment dropped sharply in Florida's seasonal food industry and in New Jersey's textile and automobile assembly industries. In many of these States, the employment declines which took place in January 1940 were repeated in January 1941.

This unemployment did not attain the proportions of a serious recession in any of the States with high exhaustion ratios. On the other hand, State-wide employment was generally upward during most of the period studied. Average monthly employment in Pennsylvania, for example, was 12 percent higher in 1941 than in 1940, in Texas it was 18 percent higher, while in Kansas the rise of 23 percent between 1940 and 1941 was one of the highest in the country. What the States with high exhaustion ratios had most in common was the low average potential duration of benefits provided eligible claimants. This average duration was less than 11 weeks in 6 of the 9 States<sup>16</sup> which had the highest exhaustion ratios. Only 1 of these States, Montana, provided a uniform duration of benefits for all eligible workers.

This analysis also provides additional evidence of the general superiority of uniform-duration over variable-duration provisions. A smaller percentage of eligible claimants drew all the benefits to which they were entitled in the States providing uniform duration than in those with variable-duration provisions. In only 2 of 9 States with uniform-duration provisions did the proportion of eligible persons exhausting their benefits reach 50 percent, compared with 16 of the 34 States with variable-duration provisions. The median exhaustion ratio was 46 percent in the former, 50 percent in the latter States.

The mere provision of uniform duration of benefits for all claimants, however, did not ensure that an overwhelming majority would return to work before exhausting benefits. To be effective, uniform-duration provisions, no less than variable-duration provisions, must be related to actual patterns of unemployment. Apparently they were not in some States, since exhaustion ratios even under such provisions were high. In Kentucky, Montana, North Carolina, and Tennessee, all of which provided uniform duration of 16 weeks during the relatively prosperous period studied, more than 40 percent of all beneficiaries

were still unemployed after drawing benefits for 16 full weeks.

Exhaustion ratios were higher in States with low average potential duration because claimants entitled to few weeks of benefits were more likely to exhaust their meager rights than those entitled to longer durations. In almost every State, the proportion of claimants who exhausted benefits in selected potential-duration categories rose sharply as potential duration declined (table 4). In the 9 States in which claimants could receive benefits for less than 4 weeks, the exhaustion ratios ranged from 63 percent in Oregon to 91 percent in Texas. In contrast, of the beneficiaries entitled to 16 weeks or more, from 12 to 45 percent (in Hawaii and Texas, respectively) exhausted all benefit rights. To a certain extent, these variations reflect differences in the reemployment opportunities of individual workers. Claimants entitled to short potential duration are probably reemployed less rapidly than claimants with long potential duration.<sup>17</sup> It also appears that, if a claimant's duration of benefits is increased, the probability that he will be reemployed before exhausting those benefits is likely to be increased.

#### *Actual Duration of Benefits*

Restrictive potential duration was effective in reducing the duration of benefits which claimants actually received. Thus, claimants drew an average of 10.2 full payments under uniform-duration provisions, but only 8.3 under variable-duration provisions. In the variable-duration States, average actual duration of benefits generally decreased as average potential duration decreased (table 3). In those States with average potential duration of at least 14 weeks, actual duration averaged 10.5 weeks; in those with shorter potential durations, beneficiaries drew only 7.1 weeks on the average. In all the 43 States, actual duration varied from an average of 6.2 weeks in Wyoming to 13.1 weeks in Montana.

Reemployment opportunities, as well as the benefit provisions, affected the number of weeks of benefits which claimants drew. In the 6 States which granted all eligible claimants 16 weeks of benefits, the average number of weeks actually

<sup>16</sup> Excludes Louisiana and Mississippi, for which potential duration could not be computed.

<sup>17</sup> This statement is based on the presumption—not thoroughly tested—that the workers who have had more limited employment opportunities in their base periods, and therefore shorter potential duration of benefits, are likely to have similarly limited employment opportunities during their benefit years.

**Table 4.—Percent of eligible claimants with given potential duration who exhausted their benefit rights, 29 variable-duration States, benefit years ended in 1941**

State	Exhaustion ratios of claimants with potential duration of—				
	Less than 4 weeks	4.0-7.9 weeks	8.0-11.9 weeks	12.0-15.9 weeks	16 weeks or more
Alabama.....			53.5	43.0	27.7
Arkansas.....		66.1	60.1	50.8	35.8
California.....			66.4	63.0	41.1
Colorado.....			58.7	49.3	35.3
Connecticut.....	72.3	56.1	35.2	24.3	
Florida.....			73.0	62.9	34.8
Hawaii.....			14.6	11.7	11.2
Idaho.....		22.6	30.6	24.9	16.8
Illinois.....		57.8	50.1	29.2	19.1
Iowa.....	79.3	70.7	56.8	26.9	
Kansas.....	88.4	74.2	55.3	38.5	41.2
Maryland.....		59.1	55.5	43.4	22.9
Michigan.....			48.1	27.9	13.0
Minnesota.....		82.9	71.3	61.7	38.6
Nebraska.....			61.8	51.4	35.1
Nevada.....		73.8	65.4	54.6	38.7
New Hampshire.....		56.6	39.0	18.2	16.6
New Jersey.....	84.7	79.2	56.9	40.4	41.5
New Mexico.....			51.8	47.9	36.3
Oklahoma.....	76.5	72.7	61.4	42.4	38.4
Oregon.....	63.2	55.3	38.8	24.2	13.6
Pennsylvania.....	89.0	76.0	59.8	44.8	
Rhode Island.....	75.2	79.1	56.0	34.3	23.9
Texas.....	90.9	76.7	64.0	52.1	45.1
Utah.....			53.3	36.7	29.7
Vermont.....			53.9	31.4	
Virginia.....		63.7	58.6	41.7	20.8
Washington.....		64.0	61.5	47.8	25.2
Wyoming.....		36.1	30.1	12.0	

drawn ranged from 9.1 in Maine to 13.1 in Montana; these 2 States had the lowest and highest exhaustion ratios, respectively, among the 6 States. Michigan claimants, entitled to 15 full weekly checks on the average, drew only 6.4 checks, while those in New Mexico and Colorado, entitled to the same average number, drew 11.0 and 10.7 full checks, respectively. Obviously, reemployment opportunities were much better in Michigan during the period studied than in the latter 2 States.

Though exhaustion ratios were generally high, the amount of unused benefit rights available to the beneficiaries included in the study was even less than these ratios would indicate. Thus, while the exhaustion ratio ranged from 18 percent in Hawaii to 70 percent in Oklahoma, the ratio of average actual duration to average potential duration did not fall below the 43 percent of Michigan and was as high as 82 percent in Montana. In terms of these ratios, the amount of unused benefit rights in a period of fairly good business conditions constituted only 30 percent of the total amount available to beneficiaries.

## The Weekly Benefit Amount and Duration Experience<sup>18</sup>

Variable-duration provisions not only limited the amount of benefits available to workers generally; they worked particular hardships on eligible claimants who had low wages and low weekly benefit amounts. In practically every State with a variable-duration provision, claimants with the lowest weekly benefit amounts were entitled to the shortest duration. Generally, from 2 to 4 weeks' more benefits were granted claimants with the highest weekly benefit amounts than those with the lowest (table 5). This relationship between weekly benefit amount and potential duration is largely attributable to the fact that both were based on claimants' past earnings—the benefit amount generally on earnings in a quarter of the base period, and the duration on total earnings in the base period.

These low-paid workers, who received the shortest durations under variable-duration formulas, were least able to bear the risk of unemployment. In all but one of the uniform-duration States, the number of weeks of benefits actually drawn increased as the weekly benefit amount decreased. In other words, the lower-paid workers tended to suffer the greater amount of unemployment.

Because of this tendency toward longer duration of unemployment among claimants with low weekly benefit amounts, the exhaustion ratio varied inversely with the weekly benefit amount, even in uniform-duration States. This variation was greatest in the variable-duration States. While the exhaustion ratios of claimants with weekly benefit amounts of less than \$5 ranged from 43 percent in Alabama to 70 percent in Georgia, those among claimants with weekly benefit amounts of \$15 or more ranged from only 9.8 percent in Michigan to 50 percent in Oklahoma.

Perhaps some of the claimants with low wages and relatively extensive unemployment would not be eligible under a more stringent benefit formula. That fact, if true, would not modify the conclusions just drawn. The relationships between potential duration and exhaustion ratio, on the one hand, and weekly benefit amount on the other, existed in the States with the most stringent qualifying

<sup>18</sup> Data relate to the benefit experience of all eligible claimants rather than beneficiaries, except as noted in table 5. Hence, in most States, average actual duration and exhaustion ratios are somewhat lower than the statistics previously cited for beneficiaries.



requirements as well as in those with the most lenient. These relationships are inherent in most variable-duration provisions.

### Preliminary Duration Data, Benefit Years Ending in 1942<sup>19</sup>

The conclusions drawn from the experience in benefit years ending in 1941 hold true, substantially, for those ending in 1942. Average potential duration in 1942 was almost identical with that in 1941 in those States where the benefit formula

<sup>19</sup> Based on reports received in the Bureau of Employment Security by July 24, 1943, from 37 States. These States included 85 percent of the Nation's covered workers.

remained the same. Although exhaustion ratios in 1942 were lower in 32 of the 35 States for which figures for both years are available, more than a third of the beneficiaries exhausted their benefit rights in 24 of 37 States. In 5 of these States, more than half the beneficiaries exhausted all rights.

As in previous periods, the potential duration provided in State laws was insufficient to tide many workers over their entire period of unemployment, in spite of improved employment opportunities. Of the 37 States for which data were available, there were 7 in which no worker

**Table 5.—Average actual and potential duration of eligible claimants and percent of claimants exhausting benefit rights, by weekly benefit amount, 43 States, benefit years ended in 1941<sup>1</sup>**

State	Weekly benefit amount											
	Less than \$5.00			\$5.00-9.99			\$10.00-14.99			\$15.00 or more		
	Average duration in weeks		Percent of claimants exhausting benefit rights	Average duration in weeks		Percent of claimants exhausting benefit rights	Average duration in weeks		Percent of claimants exhausting benefit rights	Average duration in weeks		Percent of claimants exhausting benefit rights
	Potential	Actual		Potential	Actual		Potential	Actual		Potential	Actual	
<b>Uniform-duration States:</b>												
Kentucky <sup>2</sup>	16.0	12.6	58.0	16.0	10.7	43.0	16.0	9.1	33.8	16.0	8.6	29.5
Maine	16.0	8.9	32.8	16.0	7.0	20.0	16.0	4.9	10.1	16.0	6.0	15.6
Montana				16.0	13.5	61.2	16.0	13.3	57.8	16.0	12.2	45.0
New York				13.0	10.4	48.8	13.0	10.2	47.5	13.0	9.7	41.2
North Carolina <sup>2</sup>				16.0	9.0	35.5	16.0	7.8	27.1	16.0	7.8	27.4
Ohio <sup>2</sup>	16.0	11.6	40.8	16.0	10.9	36.2	16.0	10.1	31.5	16.0	9.7	29.4
South Dakota	14.0	8.8	40.8	14.0	8.9	40.0	14.0	8.1	32.9	14.0	6.8	25.5
Tennessee	16.0	11.4	53.5	16.0	9.0	37.0	16.0	8.0	31.7	16.0	7.1	23.1
West Virginia	14.0	9.3	46.4	14.0	8.8	42.7	14.0	8.4	39.3	14.0	7.4	31.9
<b>Variable-duration States:</b>												
Alabama	16.8	10.1	42.7	18.4	8.6	31.4	18.7	6.7	22.8	19.1	6.6	19.0
Arizona <sup>2</sup>	( <sup>2</sup> )	7.1	63.6	( <sup>2</sup> )	8.3	58.0	( <sup>2</sup> )	8.2	54.5	( <sup>2</sup> )	8.2	43.7
Arkansas	12.4	8.9	52.7	14.9	9.4	40.9	15.2	10.2	36.5	15.2	9.4	34.5
California							16.5	12.1	54.4	18.2	10.5	35.7
Colorado				14.7	9.6	46.5	15.2	9.2	40.0	15.4	8.5	31.6
Connecticut				8.9	4.8	42.1	10.2	5.3	36.9	11.5	5.6	28.2
Florida	12.9	9.8	62.1	13.9	9.8	55.3	14.3	9.7	52.2	15.0	9.6	43.0
Georgia <sup>2</sup>	( <sup>2</sup> )	5.4	69.7	( <sup>2</sup> )	8.7	49.7	( <sup>2</sup> )	9.6	46.9	( <sup>2</sup> )	8.5	33.6
Hawaii				14.3	5.1	9.7	15.3	4.7	15.2	15.7	5.2	17.9
Idaho				12.6	6.2	27.0	14.7	7.3	21.5	16.2	7.6	18.8
Illinois				12.2	7.0	40.7	12.6	6.4	36.2	14.2	6.1	26.0
Iowa	5.3	3.7	66.2	9.5	5.8	54.4	11.5	6.4	43.7	12.8	6.4	34.4
Kansas				7.4	5.7	70.6	10.4	7.0	51.8	11.7	7.3	43.9
Louisiana <sup>2</sup>	( <sup>2</sup> )	7.2	69.6	( <sup>2</sup> )	9.3	57.1	( <sup>2</sup> )	9.8	51.0	( <sup>2</sup> )	10.4	41.1
Maryland				13.8	7.8	40.9	14.8	6.9	27.2	15.5	6.2	19.0
Michigan				13.9	9.7	45.9	14.5	8.0	30.0	15.4	4.9	9.8
Minnesota				14.1	10.1	57.8	15.1	9.6	46.1	15.6	9.1	35.7
Mississippi <sup>2</sup>	( <sup>2</sup> )	8.0	60.9	( <sup>2</sup> )	9.9	59.5	( <sup>2</sup> )	9.1	52.9	( <sup>2</sup> )	8.8	42.2
Missouri <sup>2</sup>	( <sup>2</sup> )	4.0		( <sup>2</sup> )	7.2	57.0	( <sup>2</sup> )	7.1	45.1	( <sup>2</sup> )	7.0	36.9
Nebraska				14.7	9.5	45.5	15.0	9.3	39.7	15.4	9.0	34.5
Nevada				12.9	9.7	54.2	12.1	9.7	62.6	15.5	10.8	45.2
New Hampshire				11.5	5.7	34.4	12.2	5.0	24.7	13.6	5.6	21.1
New Jersey <sup>2</sup>				9.0	6.8	64.3	11.3	8.3	54.4	13.7	8.8	41.5
New Mexico	14.3	8.9	43.3	15.0	9.7	43.4	15.1	9.5	41.8	15.5	8.4	30.6
Oklahoma	4.4	3.1	65.3	7.7	5.6	68.2	10.5	6.8	50.1	11.9	7.2	49.6
Oregon				7.5	4.9	53.4	8.1	4.7	47.1	11.8	5.3	29.3
Pennsylvania <sup>2</sup>				9.1	7.0	65.6	10.6	7.7	53.6	11.8	8.2	45.4
Rhode Island <sup>2</sup>				8.9	6.5	64.6	10.7	6.9	49.8	13.0	7.4	38.5
Texas				9.9	7.5	67.5	12.4	8.5	52.1	13.5	8.5	43.5
Utah				12.0	7.8	50.9	12.6	7.5	42.6	14.2	6.5	28.2
Vermont	12.2	9.8	50.0	13.3	9.3	37.7	13.4	8.7	29.1	13.5	8.6	29.4
Virginia	11.2	7.2	54.8	14.0	6.7	36.4	15.0	5.5	23.7	15.3	5.5	21.5
Washington				12.2	8.9	61.1	12.3	8.2	51.5	15.0	6.9	26.6
Wyoming				10.9	6.6	24.6	11.7	6.8	22.2	12.5	5.9	16.8

<sup>1</sup> Actual duration and exhaustion ratios relate to all eligible claimants, rather than to beneficiaries, as in table 3, unless otherwise indicated.

<sup>2</sup> Data relate to beneficiaries rather than to eligible claimants.

<sup>3</sup> Lag-quarter redeterminations provided; potential duration not computed.

could receive benefits for as many as 16 full weeks, and 6 in which some eligible claimants could receive less than 4 weeks of benefits. The average number of weeks of total unemployment for which an eligible claimant could receive benefits in variable-duration States ranged from less than 9 weeks in Kansas to more than 18 in Alabama. In 6 States, more than half the eligible claimants whose benefit years ended in 1942 were entitled to less than 12 weeks of benefits, and in 2 States more than 1 claimant in 10 had a potential duration of less than 4 weeks.

These 1942 data provided additional evidence of the greater effectiveness of uniform-duration provisions in tiding workers over periods of unemployment. Of the 24 States in which more than one-third of the beneficiaries exhausted their

rights, including the 5 with the highest exhaustion ratios, 19 had variable-duration provisions. The greater protection of uniform-duration provisions was particularly true for workers with low weekly benefit amounts. However, only 8 of the 37 States provided for uniform duration throughout the period studied.

Of the 37 States for which 1942 preliminary data are available, the duration provisions have been made more nearly adequate since the periods studied in Illinois, Kansas, New Hampshire, New York, Pennsylvania, Rhode Island, South Dakota, and Vermont. In 3 others of the 37, the legislatures will meet in regular session in 1944. In the other 26 States, the regular session of the legislature has already adjourned this year, and the next regular session is not scheduled until 1945.

# Rehabilitation of Disabled Veterans in Germany

A. MACGREGOR AYER \*

ON A NATIONAL LEVEL, the rehabilitation of disabled servicemen in Germany in its various aspects, including medical care, vocational readjustment, and financial assistance, is administered jointly by the High Command of the Armed Forces, the Ministry of Labor, the Ministry of Finance, and the Ministry of the Interior, on the basis of the Veterans' Administration and Welfare Act of August 26, 1938,<sup>1</sup> and its several amendments.

On a regional level, the corps area commanders have charge of the military welfare offices attached to the principal garrison commands. Military welfare officers, usually majors or lieutenant colonels of the reserve, with a staff of noncommissioned and enlisted personnel, operate the local military welfare offices which are charged with general responsibility for all matters affecting the readjustment and welfare of discharged military personnel residing in the localities within their jurisdiction, particularly disabled servicemen and officers. The military welfare offices are expected to maintain close liaison with the local employment bureaus, the local sickness insurance offices, and, as the necessity arises, with the representatives of the National Socialist Party organizations, chambers of commerce, employers, and the like, in order to coordinate the functions and efforts of these agencies on behalf of the veteran.

The medical care of the disabled serviceman after his discharge from the armed forces is the responsibility of the plant, municipal, maritime, or guild sickness insurance office of which the individual veteran had been a member prior to his entry into the armed forces. These sickness insurance offices operate as units of the national social insurance system under the Ministry of the Interior. The retraining and placement of the

disabled veteran are handled by the employment service under the Ministry of Labor. Finally, all matters pertaining to the disbursement of funds and setting of rates for pensions and other forms of financial assistance for veterans fall under the general jurisdiction of the Ministry of Finance.

Claims and disputes arising from the application of the Veterans' Administration and Welfare Act are acted upon by the Military Welfare Court presided over by a general or admiral who is directly responsible to the Chief of the High Command of the Armed Forces.

The administration of the rehabilitation of disabled veterans is characterized by a high degree of flexibility and is primarily designed to meet the needs of the individual veteran, although the exigencies of the labor market and the casualty rate tend to influence the decisions of the authorities at various levels. For example, the greatly increased casualty rate in connection with the campaign in Russia has considerably altered the criteria by which a serviceman is either retained for limited service or discharged.

## Medical Care

The rehabilitation of the disabled serviceman begins in the military hospital before his discharge from the armed forces. Medical officers and psychologists of the Army, Navy, and Air Force, as well as representatives of the employment service, cooperate in formulating retraining and reemployment plans for the individual serviceman. Such plans must be completed by the time he is ready for discharge. However, the commander of the corps area in which the hospital is located may, after consultation with the medical officers, recommend postponement of discharge and order further utilization of the serviceman in the forces for garrison duty, clerical work, guarding of prisoners of war, and similar "limited service" duties.

A serviceman is generally not discharged from the armed forces until his restoration has been

\* War Manpower Commission, Reports and Analysis Service. For a discussion of similar provisions in the U. S. S. R., see Cooper, Denis A., "Pensions and Rehabilitation Services for Disabled Ex-Servicemen in the U. S. S. R.," *Social Security Bulletin*, Vol. 6, No. 4 (April 1943), pp. 22-24.

<sup>1</sup> *Reichsgesetzblatt*, No. 137 (1938), pp. 1077-1124. The latest of the various amendments to the original act available to the author was as of April 1943.



completed or at least advanced to a point where he is able to proceed to his home community. Immediately upon discharge, he becomes the responsibility of the sickness insurance office which provides further medical treatment, including if necessary a cure at a spa or a sanitarium, procurement and instruction in the use of artificial limbs and other prosthetic devices, medicines, and continuous nursing care in the case of incurable disability.

If as a result of heavy casualties the financial resources of certain sickness insurance offices are overtaxed, the offices may apply to the Government for additional funds. Under certain conditions the armed forces themselves assume the responsibility for all functions ordinarily carried out by the sickness insurance offices. This practice has become far more prevalent since the high casualty rate of the Russian campaign forced the German Government to requisition a very large percentage of municipally and State-owned, as well as private, hospitals for use by the Army, and to conscript for military service numerous panel doctors of the national health insurance system.

#### ***Vocational Rehabilitation***

A disabled serviceman is generally retrained in his old or a related occupation. Only in exceptional cases is retraining in a new occupation encouraged. Retraining courses are set up as the need arises, either by industry organizations or by the plant in which the veteran is expected to be employed. Special workshops and working conditions, redesigned tools, and machinery adapted to individual needs are usually provided for disabled veterans. Organs of the National Socialist Party, such as the German Labor Front, may open special courses to provide basic training required to prepare seriously handicapped veterans for in-plant training. Special schools are set up by the National Socialist War Victims Aid Organization in cooperation with national health insurance and the National Socialist Doctors Association to teach Braille to the blind and to provide other types of remedial training. Students whose studies were interrupted as a result of military service may receive subsidies to enable them to obtain their degree. In formulating retraining programs, the veteran's individual wishes, inclinations, and talents are con-

sidered. Aptitude and intelligence tests are widely used to gauge his ability, especially if retraining in a new occupation is recommended.

#### ***Placement***

A disabled veteran who is considered capable of resuming gainful employment is entitled to preferential treatment in the labor market. Employment offices are instructed to exert every possible effort to place veterans in work approximating their former jobs as to grade, rate of pay, and seniority rights. Placement is made either immediately after medical rehabilitation is completed or upon termination of such retraining as is found necessary or is recommended by the military authorities in consultation with employment service officials. A veteran with more than 50-percent disability is further protected through a provision that employers, including municipal and State authorities, must reserve at least 2 percent of their job openings for such veterans. Preferential treatment accorded to employed disabled veterans includes special hourly rates in occupations where piece rates are customary, longer rest periods, and special shopping and transportation privileges.

#### ***Pensions and Other Financial Assistance***

Pensions and other financial aid to disabled veterans are calculated on the basis of length of service, rank, occupation prior to military service, degree of disability, number of dependents, and place of residence. In general, the German Government proceeds on the principle that veterans should, so far as possible, suffer no economic deterioration as a result of their military service or of injury suffered while in the service. Therefore, in the case of disabled veterans considered capable of earning their own living, financial aid assumes the character of supplementary subsidies to compensate for reduced earnings and of allowances paid to ensure their maintenance during the period of retraining or looking for employment. Likewise, professional military personnel, especially officers, are considered to be covered by the military retirement pension to which they have a statutory right after a specified length of service. Hence, only totally disabled veterans receive pensions adequate to assure full maintenance. Financial aid to disabled veterans includes the following types of subsidy payments:

### A. Subsidies for Veterans Capable of Work

1. The "disability allowance" (*Versehrtengeld*) is paid to all disabled veterans for the rest of their lives, whether or not they are employed. Veterans are classed in one of four categories, according to the degree of disability, and the disability allowance amounts to:

	RM <sup>2</sup> per month
First category.....	15
Second category.....	30
Third category.....	50
Fourth category.....	80

An additional 20 RM a month may be given if the disability was incurred under unusually dangerous conditions of combat (*bei Sondereinsatz*). Veterans with brain injuries and those who lost their eyesight are automatically placed in the fourth category.

2. A monthly "training subsidy" (*Übergangsunterstützung*) is paid the veteran who is being retrained for his old or a new occupation, or who has not yet entered employment, or who, as a result of his injury, has again lost his job. The amount of this subsidy is calculated on the basis of the cost of living in the veteran's home community, which for this purpose is placed in one of five classes of locality. The subsidy amounts to a minimum of two-thirds of the pension paid to the unemployable veteran (see below) and is usually granted for a period not to exceed one year, although extension may be permitted by the High Command of the Armed Forces in case of meritorious service (for example, to a holder of the Iron Cross).

This subsidy may be paid also to a veteran who, as a result of his injury, is unable to reach the level of his former earnings even after the retraining period is completed. Its payment can be denied or discontinued if the veteran refuses to accept employment which, in view of the nature of his injury and of his training and experience, he can in all fairness be expected to perform, or if he reaches the level of his former earnings.

### B. Subsidies for Veterans Incapable of Work

In addition to the disability allowance of the third or fourth category, permanently incapacitated veterans receive:

<sup>2</sup> Average rate of exchange for Reichsmark for first 6 months of 1941 was still 40 cents; no official quotation available since June 1941.

### 1. A monthly pension (*Arbeitsverwendungsunfähigenrente*), calculated in RM as follows:

Locality class (according to cost of living)	Single veterans		Married veterans without children	Married veterans with at least 1 child
	Under 35 years	35 years and over		
S.....	85	80	95	105
A.....	60	75	90	100
B.....	55	70	85	95
C.....	45	60	75	85
D.....	40	55	70	80

2. Supplementary payments, in addition to the pension, are made to the permanently incapacitated veteran as follows:

a. A "rank" supplement (*Dienstgradzulage*) to veterans above the rank of private, in the following amounts:

	RM per month
Lance corporal, corporal, sergeant.....	10
First sergeant, staff sergeant.....	20
Master sergeant, second lieutenant.....	30
First lieutenant.....	50
Captain and above.....	80

b. An occupational supplement (*Berufszulage*) based on occupation prior to military service. It amounts to 10 RM monthly if the veteran's civilian occupation required a complete training course of several years' duration (carpentry or gardening, for example) and to 50 RM monthly if the veteran occupied a civilian post of unusual responsibility or of high educational requirements (law or engineering, for example).

c. A nursing supplement (*Pflegezulage*) of 50 RM monthly is granted a veteran requiring constant attendance. This sum may be raised to 125 RM if the veteran is continuously bedridden.

d. A special supplement (*Blindenzulage*) of 100 RM monthly is granted to the blind veteran; he also receives a guide dog and an allowance of 15-20 RM monthly for its maintenance.

### C. Special Categories of Veterans

Noncommissioned officers and enlisted personnel who are not professional members of the permanent military establishment but who, prior to the war, had voluntarily remained in the forces longer than their compulsory 2-year service, are eligible for a bonus (*Dienstbelohnung*) ranging from 200 RM for a total service period of more than 2 but less than 3 years to 1,800 RM for service totaling 18 years or more.

#### D. Other Financial Benefits

Disabled veterans are eligible also for other financial benefits, which include tax reductions, reduced railway and bus fares, lowered charges in spas and resorts, and increased financial assistance in connection with the purchase of homesteads and land parcels.

#### Illustrative Examples

The calculation of the total pension and other financial subsidies for disabled veterans is shown in the following examples:

A. A private with a total of 5 years of service; single, residing in Königsberg (locality class A); disability, loss of right arm (second category); former occupation, tool maker; average monthly earnings prior to military service, 200 RM. He would receive the following subsidies:

1. Cash bonus at time of discharge.....	RM 600
2. Monthly disability allowance.....	30
3. Monthly training allowance:	
During training.....	60
After training period and until he reaches full earning capacity (the difference between 200 RM and his new earnings as hoist operator, amounting to 120 RM)...	80

The veteran thus receives a total of 230 RM a

month at the end of his training period, of which 120 RM constitutes his earnings on the job and 110 RM represents the subsidies from the Government.

B. A sergeant, 36 years of age, 2 years of service; married, no children, and residing in small rural town (locality class C); formerly public school teacher; considered permanently incapacitated as a result of severe stomach wound and requires constant attendance. He would receive a total monthly pension of 255 RM, calculated as follows:

1. Basic pension.....	RM 75
2. Disability allowance (third category)....	70
3. Rank supplement.....	10
4. Occupational supplement.....	50
5. Nursing supplement.....	50

C. A first lieutenant, married, two children, residing in Berlin (locality class S); formerly a lawyer; blind. He would receive 425 RM monthly, calculated as follows:

1. Basic pension.....	RM 105
2. Disability allowance (fourth category)....	100
3. Rank supplement.....	50
4. Occupational supplement.....	50
5. Supplement for blindness.....	100
6. Allowance for maintenance of guide dog..	20



# PUBLIC ASSISTANCE

BUREAU OF PUBLIC ASSISTANCE

## Termination of the Federal Public Aid Programs

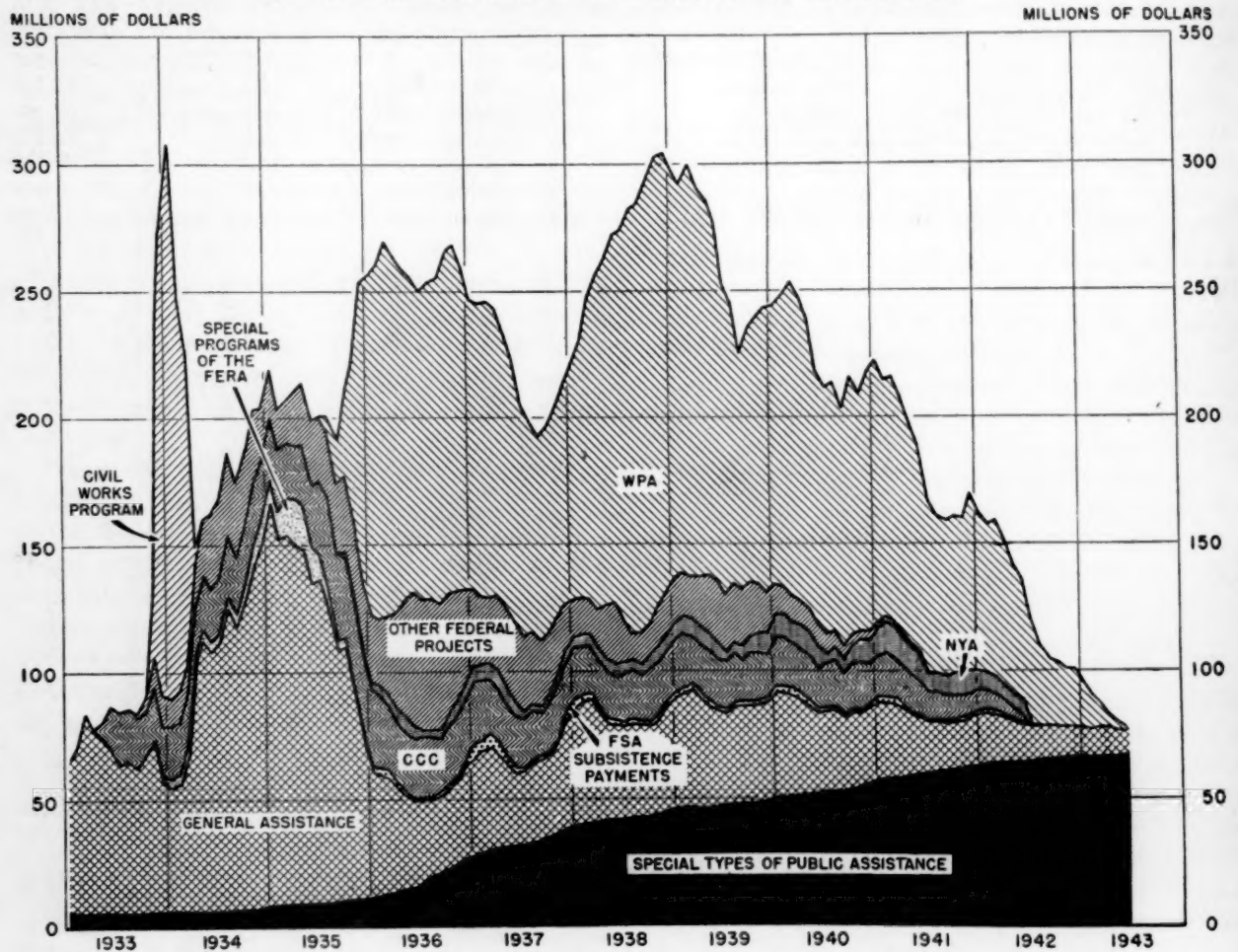
In appropriating funds for the current fiscal year, Congress ordered the National Youth Administration to liquidate as quickly as possible, but in any event not later than January 1, 1944. This was the last of a succession of orders issued by Congress, the President, or administrative agencies to terminate various public aid programs operated by the Federal Government. Liquidation of the NYA will mark the end of all emergency Federal programs instituted in the 1930's to provide employment, assistance, or commodities for the millions of persons who

met with economic catastrophe in the depression years.<sup>1</sup> Federal aid for needy persons now is limited to the permanent Federal-State programs established under the Social Security Act for assistance to needy aged and blind persons and needy dependent children.

In making appropriations for the fiscal year just ended, Congress ordered the Civilian Conservation Corps to disband as rapidly as possible. Because of drastic curtailment of its

<sup>1</sup> See "A Decade of Public Aid," *Social Security Bulletin*, Vol. 6, No. 2 (February 1943), pp. 22-29.

Chart 1.—Payments to recipients of public assistance and earnings of persons employed under Federal work programs in the continental United States, January 1933–June 1943



appropriation, the Farm Security Administration at the beginning of that year discontinued subsistence payments to farmers except in case of natural disaster such as drought or flood. In December 1942, at the request of the Work Projects Administration, the President issued an Executive Order to the WPA to liquidate by February 1, 1943, or as soon thereafter as feasible. In December 1942, also, the Department of Agriculture announced the suspension of the food stamp program, effective March 1, 1943; late in March it announced that the direct distribution of commodities to families was to be discontinued on or before June 30, 1943, except for the occasional purchase and distribution of perishable foods which would otherwise be wasted. Other Federal work and construction projects financed

from emergency Federal funds had disappeared gradually, as funds appropriated in the depression years were exhausted, and by the end of 1940 these programs were of negligible importance.

The Federal work programs have been terminated because in most parts of the country little need for work program employment remained. Since 1938 the total number of persons employed on work projects has declined steadily (table 2). Less than 100,000 persons were employed on work projects<sup>2</sup> in June 1943, in contrast to the 3.7 million in June 1938. As general employment has mounted during the past 5 years, several million

<sup>1</sup> Does not include persons employed on war-production training program of the NYA, under which 56,000 persons were employed as of June 23, 1943. This program has not been considered a public aid program since June 1942. See the Bulletin, September 1942, pp. 32 ff.

Table 1.—Public assistance and Federal work programs in the continental United States, by month, June 1942–June 1943<sup>1</sup>  
[In thousands]

Year and month	Total	Special types of public assistance			General assistance	Farm Security Administration <sup>1</sup>	Civilian Conservation Corps <sup>2</sup>	National Youth Administration <sup>4</sup>		Work Projects Administration <sup>3</sup>	Other Federal agency projects financed from emergency funds <sup>5</sup>	
		Old-age assistance	Aid to dependent children					Aid to the blind	Student work program			Out-of-school work program
			Families	Children								
Number of recipients and persons employed												
1942												
June.....		2,250	395	949	79	607	12	53	133	184	671	(7)
July.....		2,249	389	937	79	566	(7)	(7)	17	(7)	505	(7)
August.....		2,248	386	928	79	551	(7)	(7)	0	(7)	428	(7)
September.....		2,245	382	919	79	528	(7)	(7)	2	(7)	382	(7)
October.....		2,242	374	899	79	503	(7)	(7)	52	(7)	357	(7)
November.....		2,234	365	879	79	469	(7)	(7)	81	(7)	332	(7)
December.....		2,227	348	849	79	462	(7)	(7)	86	(7)	300	(7)
1943												
January.....		2,212	342	830	79	446	(7)	(7)	91	(7)	244	(7)
February.....		2,200	335	815	78	430	(7)	(7)	94	(7)	161	(7)
March.....		2,192	327	797	78	418	(7)	(7)	97	(7)	93	(7)
April.....		2,179	320	781	78	396	(7)	(7)	97	(7)	41	(7)
May.....		2,170	313	764	77	375	(7)	(7)	89	(7)	6	(7)
June.....		2,167	305	747	78	354	(7)	(7)	(7)	(7)	2	(7)
Amount of assistance and earnings												
1942												
June.....	\$135,734	\$49,115	\$13,314	\$2,052	\$14,149	\$418	\$3,544	\$937	\$5,311	\$46,866	\$28	
July.....	120,172	49,591	13,210	2,054	13,650	(7)	(7)	150	(7)	41,517	(7)	
August.....	109,681	50,040	13,321	2,009	13,313	(7)	(7)	0	(7)	30,938	(7)	
September.....	104,886	50,327	13,045	2,080	12,991	(7)	(7)	11	(7)	26,432	(7)	
October.....	103,752	50,915	12,839	2,084	12,554	(7)	(7)	425	(7)	24,935	(7)	
November.....	100,899	51,731	12,583	2,084	11,533	(7)	(7)	704	(7)	22,264	(7)	
December.....	101,147	52,178	12,624	2,100	11,589	(7)	(7)	722	(7)	21,934	(7)	
1943												
January.....	95,590	52,171	12,426	2,084	10,886	(7)	(7)	661	(7)	17,362	(7)	
February.....	90,710	52,169	12,210	2,066	10,411	(7)	(7)	766	(7)	13,088	(7)	
March.....	87,600	52,306	12,219	2,085	11,242	(7)	(7)	794	(7)	8,954	(7)	
April.....	83,087	52,522	12,121	2,086	10,558	(7)	(7)	815	(7)	4,985	(7)	
May.....	79,129	52,825	11,852	2,093	9,621	(7)	(7)	758	(7)	1,980	(7)	
June.....	77,328	53,463	11,794	2,101	9,283	(7)	(7)	<sup>10</sup> 319	(7)	368	(7)	

<sup>1</sup> Partly estimated and subject to revision. For January 1933–May 1942 data, see the Bulletin, February 1943, pp. 23–26. For definitions of terms, see the Bulletin, September 1941, pp. 50–52; see also footnotes 3–6.

<sup>2</sup> Data from FSA.

<sup>3</sup> Data from CCC. Beginning July 1941, earnings of persons enrolled estimated by CCC by multiplying average monthly number of persons enrolled by average of \$67.20 for each month for enrollees other than Indians and \$60.50 for Indians.

<sup>4</sup> Data from NYA. Beginning July 1941, number employed on out-of-school work program based on an average of weekly employment counts during month.

<sup>5</sup> Data from WPA. Beginning July 1942, represents sum of pay rolls approved during month; because of time lag in approval of pay rolls, earnings cannot be related to average number employed during month.

<sup>6</sup> Data from Bureau of Labor Statistics. Beginning October 1941, represents employment and earnings on projects financed from PWA funds only; data not available for other Federal agency projects financed under Emergency Relief Appropriation acts.

<sup>7</sup> Less than 500 persons.

<sup>8</sup> For changes in series, see the Bulletin, September 1942, pp. 32 ff.

<sup>9</sup> Data not available.

<sup>10</sup> Estimated.

**Table 2.—Number of persons employed and recipients of aid under public aid programs operated by the Federal Government, continental United States, June 1936–June 1943<sup>1</sup>**

[In thousands]

Month and year	Number of persons employed and recipients				
	WPA	NYA	CCC	Other Federal work projects (emergency funds)	Farm Security Administration
June 1936.....	2,286	399	336	741	62
June 1937.....	1,874	422	277	407	191
June 1938.....	2,741	428	245	332	93
June 1939.....	2,570	494	266	246	69
June 1940.....	1,735	482	240	79	60
June 1941.....	1,576	741	195	9	40
June 1942.....	571	317	53	( <sup>2</sup> )	12
June 1943.....	2	89			

<sup>1</sup> For definitions of terms relating to specified programs, see the Bulletin, September 1941, pp. 50–52; see also footnotes to table 1.

<sup>2</sup> Less than 500 persons.

<sup>3</sup> Data for May; June data not available. Includes the student work program only; for change in series, see the Bulletin, September 1942, pp. 32 ff.

persons formerly employed on work projects have obtained regular jobs, and they and their dependents have become self-maintaining. In general, the economic status of families previously dependent on work program earnings has been materially improved. The rapidity with which project workers have shifted to employment in competitive industry as job opportunities have opened up should go far to dispel the once popular notion that project workers were shiftless individuals who preferred relief to self-support.

Although little unemployment remains in the Nation, the liquidation of the work programs has resulted in hardship to some families in localities remote from employment opportunities. States in the South and Southwest have expected considerable need to arise from the liquidation of these programs.<sup>3</sup>

Suspension of the food stamp program and discontinuance of commodity distribution as agricultural surpluses have vanished have perhaps affected larger numbers of families remaining in need than the termination of the Federal work programs. In June 1939, 11.3 million persons in family groups were receiving surplus commodities (table 3). In June 1941, food stamps were issued to more than 3.9 million persons, and another 4.9 million persons in family groups received commodities directly. In February 1943, the last

<sup>3</sup> White, Ruth, "The Effect of the Liquidation of the WPA on Need for Assistance," *Social Security Bulletin*, Vol. 6, No. 6 (June 1943), pp. 4–7.

month in which the food stamp program operated, there were 1.4 million participants. When commodity distribution was terminated in June, except for certain perishable commodities that otherwise would be wasted, the number of families receiving commodities was probably negligible.

The resources of substantial numbers of families now on assistance rolls have been reduced, however, by the discontinuance of these programs. Assistance agencies have generally raised the amounts of assistance given to needy persons as living costs have mounted, but the increases have not usually been sufficient to cover the increased cost of goods and services and the loss of the resource represented by food stamps or commodities. Some needy families who formerly were unable to get any other form of public aid have suffered particular distress as surplus agricultural products have vanished.

In abolishing the numerous public aid programs for which it had direct operating responsibility, the Federal Government has left to the public assistance agencies responsibility not only for aiding groups who are unemployable but also for those who are employable but jobless despite critical manpower shortages in labor-market areas. Public aid programs now remaining in the United States include those for old-age assistance, aid to dependent children, and aid to the blind,

**Table 3.—Number of persons participating in programs for distribution of agricultural products to low income families, operated cooperatively by the Federal Government and State and local welfare agencies, continental United States, June 1936–June 1943<sup>1</sup>**

[In thousands]

Month and year	Persons participating	
	Food stamp program	Direct distribution program (family groups only)
June 1936.....		( <sup>2</sup> )
June 1937.....		4,475
June 1938.....		8,350
June 1939.....	51	11,332
June 1940.....	1,488	9,196
June 1941.....	3,925	4,896
June 1942.....	2,854	2,442
June 1943.....		( <sup>3</sup> )

<sup>1</sup> Excludes data on direct distribution of commodities to persons in institutions and other special groups, school lunch programs, milk programs, and cotton programs.

<sup>2</sup> Data not available.

<sup>3</sup> A negligible number of persons in family groups may have participated in this month.

Source: U. S. Department of Agriculture.



**Table 4.—Number of recipients under public aid programs operated by State and local agencies, continental United States, June 1936–June 1943<sup>1</sup>**

[In thousands]

Month and year	Number of recipients			
	Special types of public assistance <sup>2</sup>			General assistance (cases)
	Old-age assistance	Aid to dependent children (families)	Aid to the blind	
June 1936.....	650	157	44	1,556
June 1937.....	1,230	192	50	1,777
June 1938.....	1,657	258	62	1,977
June 1939.....	1,842	311	68	2,221
June 1940.....	1,967	346	72	2,385
June 1941.....	2,167	391	74	2,632
June 1942.....	2,250	395	79	2,724
June 1943.....	2,167	305	78	2,550

<sup>1</sup> For definitions of terms relating to specified programs, see the Bulletin, September 1941, pp. 50–52.

<sup>2</sup> These types of assistance are administered almost entirely under the Social Security Act and are financed in part from Federal funds.

which are administered almost exclusively under the Social Security Act and are financed from Federal, State, and local funds; and general assistance, which is financed by the States and localities, or by the localities alone, without the help of the Federal Government.

As would be expected, the programs for the needy aged, blind, and dependent children have been relatively less affected by the rising tide of employment than the work programs. The great majority of recipients of old-age assistance are too old to work; their average age is about 75 years. The majority of recipients of aid to the blind are handicapped for employment not only by blindness but also by advanced age; approximately half of all recipients of aid to the blind are 60 years of age and over. Many of these persons became blind when they were too old to be rehabilitated industrially. The great majority of families receiving aid to dependent children have no member available for work; most of these families consist of a widowed mother with children, or a mother with children and a disabled father. The mother in such families ordinarily is needed in the home. The War Manpower Commission issued a policy statement declaring that "the first responsibility of women with young children in war as in peace is to give suitable care in their own homes to their children." Facilities for the day care of children are not available in many communities. In any case, it is generally undesirable for mothers with very young children to go to work.

Though the special types of public assistance are provided to groups of needy persons who are relatively unemployable, the numbers of recipients of old-age assistance and aid to the blind have declined slightly, and there have been substantial reductions in the number of families receiving aid to dependent children in many States.

Of the four public assistance programs, general assistance has been most vitally affected by changing economic conditions. When the upswing in employment began, substantial proportions of the families on general assistance rolls had a member able to take advantage of increasing employment opportunities. The number of general assistance cases has declined sharply with the rise in defense and war production. Persons now on general assistance rolls are, for the most part, in families with no member in the labor force, or with a wage earner temporarily disabled or temporarily out of work.

The general assistance program is a residual program and hence should be flexible enough to provide for all needy persons for whom no other provision exists. Formerly, needy unemployed persons were eligible for work program employment, but at no time during the depression were the work programs able to provide work for all the needy unemployed. Such persons, as well as unemployable persons ineligible for the special types of public assistance, are now eligible only for general assistance. Unfortunately, even under the prevailing favorable economic conditions, general assistance agencies in many States and localities are unable to care for all needy persons who are ineligible for the special types of assistance.

General assistance frequently is not available to needy individuals who have not resided for a specified length of time in the State or locality or who are considered to be employable. In a great many localities, needy persons who are technically eligible for general assistance are unable to get aid because funds are lacking. The importance of strengthening the organization and financing of general assistance programs, which are now administered by more than 10,000 local units and constitute the weakest part of our public aid provisions, has been emphasized by the termination of the Federal works programs and the discontinuance of food stamps and commodity distribution. In order to assist the States to make more

nearly adequate provision for the residual groups of needy persons, the Social Security Board has recommended to Congress Federal participation in general assistance.

Because the various federally operated public aid programs have been discontinued, the statistical time series on recipients and payments under public assistance and Federal work programs will

no longer be published monthly in the Bulletin. These series will, however, be published annually in the *Social Security Yearbook*, both to give perspective to current public assistance operations and to supply a historical record of public aid trends since 1933, when comprehensive data on the volume of public aid under all programs first became available on a Nation-wide basis.

## Statistics for the United States

During June, \$77.3 million was expended for public assistance and earnings under the Federal work programs in the continental United States (table 1). This total represented decreases of 2.3 percent from the previous month and 43.0 percent from June 1942. Except for a slight increase in December, declines have occurred during each of the last 15 months as the Federal work programs were being liquidated and payments under the general assistance and aid to dependent children programs were falling off. The number of recipients of assistance and persons employed under the Federal work programs declined from May for all programs except aid to the blind, and total payments were lower for all programs except old-age assistance and aid to the blind.

Old-age assistance represented 69.1 percent of total expenditures during June; aid to dependent children, 15.3 percent; aid to the blind, 2.7 percent; general assistance, 12.0 percent; WPA, 0.5 percent; and the NYA student work program, 0.4 percent.

*Old-age assistance.*—The number of recipients declined less than 1 percent from May, to extend

to a full year the uninterrupted decline (table 7); during this 12-month period the drop has amounted to 3.7 percent. During the same period payments increased in each month except February. The increase from May amounted to 1.2 percent and from June 1942, 8.8 percent. All but 13 of the reporting States contributed to the decline in recipients during June, while all but 14 States contributed to the increase in total payments. South Carolina and West Virginia were the only States reporting a lower average assistance payment in June than in the same month of 1942. The increase in the average for all States amounted to \$2.84.

*Aid to dependent children.*—Kentucky and Mississippi were the only States reporting increased numbers of families receiving assistance during June (table 9). The decrease for the country as a whole amounted to 2.6 percent from May and 22.8 percent from June 1942; the downward trend has continued since April 1942. Payments were less than 1 percent below the previous month but 11.4 percent less than a year ago. Eleven States

Table 5.—Special types of public assistance: Recipients and payments to recipients in States with plans approved by the Social Security Board, by month, June 1942–June 1943<sup>1</sup>

Year and month	Number of recipients				Amount of assistance			
	Old-age assistance	Aid to dependent children		Aid to the blind	Total	Old-age assistance	Aid to dependent children	Aid to the blind
		Families	Children					
1942								
June.....	2,253,522	391,755	943,079	54,378	\$63,779,995	\$49,185,373	\$13,269,418	\$1,325,204
July.....	2,252,447	386,354	930,622	54,480	64,159,543	49,660,775	13,164,733	1,334,035
August.....	2,251,232	382,901	921,422	54,601	64,727,445	50,111,576	13,274,804	1,341,065
September.....	2,248,645	379,114	912,772	54,651	64,782,856	50,398,602	12,969,491	1,354,763
October.....	2,244,921	371,063	893,072	54,583	65,138,091	50,987,105	12,791,702	1,359,284
November.....	2,236,746	362,396	872,724	54,449	65,706,431	51,803,246	12,537,023	1,366,162
December.....	2,229,839	345,486	842,767	54,643	66,203,056	52,249,679	12,579,609	1,373,768
1943								
January.....	2,214,692	339,625	825,939	54,507	66,011,372	52,242,603	12,398,768	1,370,001
February.....	2,203,191	332,318	810,363	54,423	65,799,894	52,240,902	12,183,794	1,375,198
March.....	2,194,580	325,184	792,293	54,219	65,951,076	52,378,022	12,191,012	1,382,042
April.....	2,182,378	318,090	776,695	54,022	66,075,144	52,594,053	12,095,943	1,385,146
May.....	2,172,885	310,611	759,680	53,798	66,112,832	52,897,984	11,825,063	1,389,785
June.....	2,169,921	302,622	743,163	53,748	66,690,659	53,534,319	11,768,363	1,396,977

<sup>1</sup> For definitions of terms, see the Bulletin, September 1941, pp. 50-52.

Chart 2.—Payments to recipients of public assistance in the continental United States, January 1936–June 1943

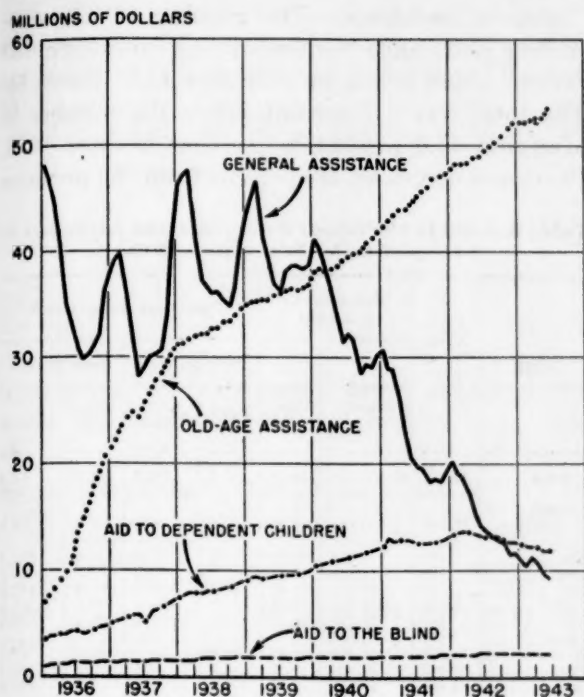


Chart 3.—Recipients of public assistance in the continental United States, January 1936–June 1943

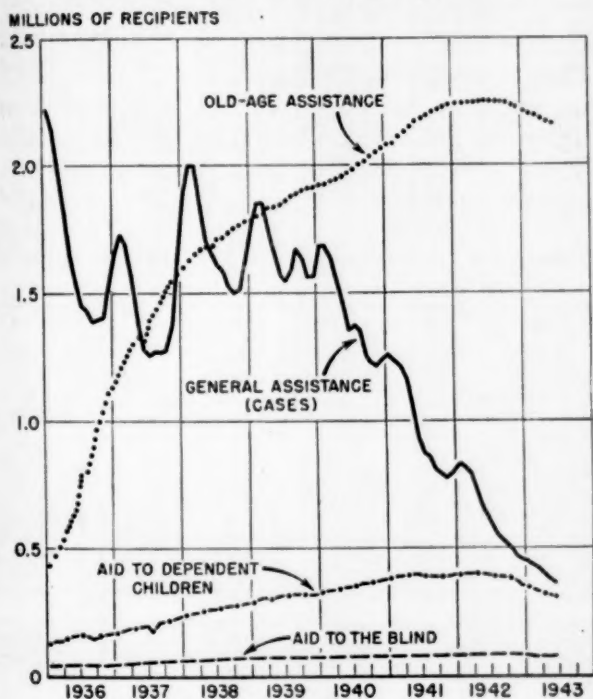


Table 6.—General assistance: Cases and payments to cases, by State, June 1943<sup>1</sup>

State	Number of cases	Payments to cases		Percentage change from—			
		Total amount	Average	May 1943 in—		June 1942 in—	
				Number	Amount	Number	Amount
Total <sup>2</sup>	355,000	\$9,311,000	\$26.22	-5.5	-3.4	-41.6	-34.3
Ala.	2,272	23,965	10.55	+5	+1.2	-8	+11.5
Alaska	188	12,377	65.84	+24.6	+118.6	( <sup>3</sup> )	( <sup>3</sup> )
Ariz.	2,284	59,752	26.16	-2.1	-1.4	-14.3	+13.8
Ark. <sup>4</sup>	3,088	25,107	8.13	-2.4	-3.1	-19.2	+3.7
Calif.	13,844	382,237	27.61	-1.8	-2.8	-46.6	-40.6
Colo.	4,779	107,810	22.56	-5.3	-4.3	( <sup>5</sup> )	-26.3
Conn.	3,296	97,684	29.64	-5.7	-3.6	-36.7	-32.9
Del.	400	8,900					
D. C.	960	23,029	23.99	-1.8	-2.5	-40.0	-42.5
Fla.	5,200	42,000					
Ga.	3,393	32,309	9.55	-5.4	-2.3	-28.7	-11.5
Hawaii	613	14,722	24.02	+7	+5.3	-21.6	-1.7
Idaho <sup>7</sup>	781	13,163	16.85	-5.7	-6.5	-29.4	-21.9
Ill.	42,163	1,188,109	28.18	-5.7	-1.6	-41.6	-31.7
Ind. <sup>8</sup>	8,331	147,601	17.72	-4.0	-1.5	-48.2	-35.7
Iowa	7,051	118,127	16.75	-5.8	-7.1	-45.0	-39.2
Kans.	4,587	103,289	22.62	-3.5	-2.7	-45.2	-30.8
Ky.	2,000	30,000					
La.	5,287	102,186	19.33	+1.0	+4	-54.6	-46.2
Maine	2,771	68,542	24.74	-3.4	-5.8	-32.6	-28.3
Md.	4,912	123,115	25.06	-2.2	+5	-19.9	-6.7
Mass.	17,018	459,911	27.02	-1.8	+1.9	-37.6	-29.7
Mich.	13,737	382,281	27.83	-7.7	-1.1	-47.1	-35.9
Minn.	8,402	192,830	22.95	-8.5	-8.4	-44.9	-36.3
Miss.	476	2,713	5.70	+16.1	-2.7	-27.4	+5.2
Mo. <sup>9</sup>	7,320	117,012	15.99	-6.0	-6.2	-44.9	-38.8
Mont.	1,390	20,214	18.86	-6.3	-5.8	-33.1	-24.0
Nebr.	2,314	33,987	14.67	-4.8	-3.1	-47.0	-31.7
Nev.	299	5,282	17.67	-8.8	+3	-36.2	-24.4
N. H.	1,833	45,344	24.47	-6.1	-3.8	-34.4	-30.5
N. J. <sup>10</sup>	9,445	245,468	25.99	-8.0	-9.6	-42.7	-35.7
N. Mex. <sup>4</sup>	1,228	20,734	16.88	-2.1	+3.0	-8	+87.1
N. Y.	79,313	3,229,754	40.72	-8.3	-8.3	-45.4	-39.3
N. C.	2,827	24,086	8.52	-3.7	-2.2	-25.4	-10.0
N. Dak.	1,100	21,500					
Ohio	15,480	335,208	21.65	-7.1	-8.6	-51.2	-44.6
Okl.	6,077	37,327	( <sup>10</sup> )	( <sup>10</sup> )	+7.1	( <sup>10</sup> )	-27.1
Oreg.	2,876	87,798	30.53	-1.3	-1.3	-20.6	-5
Pa.	30,137	674,016	22.37	-2.7	+13.1	-37.8	-25.2
R. I.	2,037	68,459	33.61	-1.2	-5.9	-49.5	-47.1
S. C.	2,630	21,904	8.33	+12.9	+12.4	+14.1	+9.8
S. Dak.	1,166	19,986	17.14	-14.8	-10.8	-52.1	-36.7
Tenn.	1,500	10,000					
Tex.	3,600	60,000					
Utah	1,726	52,167	30.22	-2.0	+5	-38.9	-32.2
Vt.	1,074	21,050	19.60	-6.6	-4.6	-14.6	-16.5
Va.	3,693	43,657	11.82	-2.1	+1.1	-19.5	-10.2
Wash.	5,680	188,483	33.18	+6.3	+20.8	-5.3	+33.2
W. Va.	8,156	92,480	11.34	-6.7	-7.1	-29.6	-30.3
Wis.	7,716	167,234	21.67	-9.0	-7.0	-52.1	-50.5
Wyo.	542	10,977	20.25	-4.1	-5.0	-27.7	-20.6

<sup>1</sup> For definitions of terms, see the Bulletin, September 1941, pp. 50-52.

<sup>2</sup> Partly estimated; does not represent sum of State figures, because total excludes cases and payments for medical care, hospitalization, and burial only in 2 States, and cases aided in Oklahoma have been estimated to exclude duplication.

<sup>3</sup> Data not reported prior to September 1942.

<sup>4</sup> State program only; excludes programs administered by local officials.

<sup>5</sup> Comparable data not available.

<sup>6</sup> Estimated.

<sup>7</sup> Excludes assistance in kind and cases receiving assistance in kind only and, for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents approximately 70 percent of total.

<sup>8</sup> Includes unknown number of cases receiving medical care, hospitalization, and burial only, and total payments for these services.

<sup>9</sup> Includes cases receiving medical care only; number believed by State agency to be insignificant.

<sup>10</sup> Represents 3,110 cases aided under program administered by State board of public welfare, and 2,967 cases aided by county commissioners; amount of duplication believed to be large; average per case and percentage change in number of cases cannot be computed.



reported an increase in payments during the month. The average payment per family increased nearly \$5 from June 1942 to June 1943.

**Aid to the blind.**—Both the number of recipients and amount of payments have changed relatively little as compared with May 1943 and with June 1942 (table 8). The number of recipients increased slightly during June after 5 consecutive months

**Table 7.—Old-age assistance: Recipients and payments to recipients, by State, June 1943<sup>1</sup>**

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	May 1943 in—		June 1942 in—	
				Number	Amount	Number	Amount
<b>Total<sup>2</sup></b>	<b>2,169,921</b>	<b>\$53,534,319</b>	<b>\$24.67</b>	<b>-0.1</b>	<b>+1.2</b>	<b>-3.7</b>	<b>+8.8</b>
Ala.	22,152	234,210	10.57	+4	+1.1	+4.2	+14.7
Alaska	1,476	45,072	30.54	-1.1	-3.7	-5.6	-2.1
Ariz.	9,624	360,677	37.48	-2	-1	+1.3	+10.3
Ark.	26,043	379,993	14.59	+1.1	+8	+3.7	+82.2
Calif.	151,422	5,693,764	37.60	( <sup>3</sup> )	+2	-3.9	-9
Colo.	41,376	1,465,634	36.15	-2	-10.1	-3.3	+12.8
Conn.	15,800	482,000					
Del.	1,893	25,277	13.35	-2.0	-1.8	-18.8	-15.8
D. C.	3,145	87,478	27.81	-1.3	-9	-10.9	-5.8
Fla.	41,046	599,912	14.62	-7	-3	-4.9	-2.3
Ga.	70,118	689,470	9.83	-4	+7	+5.9	+17.7
Hawaii	1,508	26,594	17.64	-3	+1.4	-11.8	+10.7
Idaho	9,801	264,162	26.95	-9	-9	-1.0	+13.2
Ill.	147,074	4,203,924	28.58	-4	+2	-2.2	+5.8
Ind.	65,008	1,440,408	22.16	-1.0	( <sup>3</sup> )	-7.8	+3.1
Iowa	53,944	1,271,012	23.56	-4	+4.0	-4.6	+4.7
Kans.	29,951	761,966	25.44	-5	( <sup>3</sup> )	-3.7	+9.9
Ky.	51,339	748,318	14.58	+7	+1.3	-9.7	+34.3
La.	37,433	738,117	19.72	-2	+3.0	+4.9	+54.8
Maine	15,742	354,198	22.50	-2	+6	-1.0	+4.9
Md.	14,037	302,066	21.52	-1.4	-2	-15.1	-4.1
Mass.	82,401	2,892,027	35.10	-4	+3	-4.9	+1.2
Mich.	87,983	2,394,270	27.21	+1	+1.2	-4.8	+31.6
Minn.	60,490	1,548,197	25.50	-6	+6.8	-4.2	+9.5
Miss.	24,941	228,171	9.15	-2	+2	-7.3	-6.0
Mo.	108,708	2,206,484	20.30	-6	( <sup>3</sup> )	-5.9	+42.8
Mont.	11,865	297,775	25.10	-1.0	+5	-4.8	+5.7
Nebr.	27,177	614,277	22.60	-6	+1.0	-8.1	+11.4
Nev.	2,040	67,583	33.13	+2	+1.5	-7.7	-2
N. H.	6,949	173,012	24.90	-6	( <sup>3</sup> )	-5.0	+3.9
N. J.	26,759	669,096	25.00	-1.0	+9	-10.4	-1.1
N. Mex.	5,038	148,792	29.53	+3	+11.8	-1.3	+80.0
N. Y.	112,507	3,402,263	30.24	+4.3	+3.5	-5.4	+0.4
N. C.	37,082	391,214	10.55	-8	-1.2	-5.5	-3.7
N. Dak.	9,077	219,970	24.23	-5	+5.4	-4.8	+24.0
Ohio	134,321	3,679,367	27.39	-6	-3	-3.6	+0.8
Okl.	77,279	1,736,104	22.47	-1	+4	-6	+0.1
Oreg.	19,576	650,974	28.15	-5	+1.4	-10.0	+8.8
Pa.	90,163	2,610,926	27.85	-7	+5.3	-7.4	+12.3
R. I.	7,267	194,677	26.79	+4	+2.0	-2.1	+11.6
S. C.	20,998	224,615	10.70	+1	+1.2	-2	-6.5
S. Dak.	14,004	297,914	21.27	-7	+1	-5.4	+4.9
Tenn.	39,050	556,167	14.24	-5	+8.0	-2.4	+17.4
Tex.	182,154	3,099,542	20.31	+1	+4.4	+1.6	+7.8
Utah	13,780	482,499	35.01	-1	+14.7	-5.4	+22.3
Vt.	5,432	101,670	18.72	+2	+1.0	-1.1	+161.0
Va.	17,854	195,908	10.97	-9	-1	-9.8	-4.4
Wash.	61,729	2,145,937	34.76	-2	+1.8	-4.3	-9
W. Va.	19,459	315,194	16.20	-5.1	-7.7	-17.1	-24.0
Wis.	50,495	1,285,082	25.45	-8	( <sup>3</sup> )	-6.4	+6
Wyo.	3,411	106,335	31.17	+2	+1	-3.6	+20.5

<sup>1</sup> For definitions of terms, see the Bulletin, September 1941, pp. 50-52.

<sup>2</sup> All 51 States have plans approved by Social Security Board.

<sup>3</sup> Increase of less than 0.05 percent.

<sup>4</sup> Includes \$96,288 incurred for payments to 2,658 recipients aged 60 but under 65 years.

<sup>5</sup> Estimated.

<sup>6</sup> Decrease of less than 0.05 percent.

<sup>7</sup> Low payments in June 1942 resulted from shortage of funds.

in which decreases were reported. Payments increased for the fourth consecutive month.

**General assistance.**—The number of cases receiving assistance continued the uninterrupted decline which began in February 1942 (table 6). The total was 5.5 percent below the number in May and 41.6 percent below that in June 1942. Payments decreased 3.4 percent from the previous

**Table 8.—Aid to the blind: Recipients and payments to recipients, by State, June 1943<sup>1</sup>**

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	May 1943 in—		June 1942 in—	
				Number	Amount	Number	Amount
<b>Total</b>	<b>77,685</b>	<b>\$2,102,841</b>	<b>\$27.07</b>	<b>+0.3</b>	<b>+0.4</b>	<b>-1.6</b>	<b>+2.4</b>
<b>Total, 45 States<sup>2</sup></b>	<b>53,748</b>	<b>1,396,977</b>	<b>25.99</b>	<b>-1</b>	<b>+5</b>	<b>-1.2</b>	<b>+5.4</b>
Ala.	647	7,312	11.30	-5	+6	+6	+17.9
Ariz.	390	13,819	35.43	-1.3	-1.1	-6.0	-9
Ark.	1,192	19,631	16.47	+2	+6	+1.8	+74.0
Calif.	6,678	314,133	47.04	-9	-9	-7.5	-7.1
Colo.	697	20,591	34.49	-2.0	-1.4	-6.9	-3.3
Conn.	180	4,500					
D. C.	278	9,560	34.39	+4	0	-4.8	-2.7
Fla.	2,487	38,720	15.57	-2	+4	-9.2	-6
Ga.	2,191	27,978	12.77	-5	+5	+7.8	+18.8
Hawaii	78	1,621	20.78	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
Idaho	245	6,862	28.01	-3.2	-3.0	-10.6	+3.3
Ill.	7,573	222,571	30.16	+4.7	+6	-1.5	-2.3
Ind.	2,356	67,071	28.47	+9	+1.3	0	+20.6
Iowa	1,488	45,470	30.56	-1.3	+3.4	-3.3	+8.5
Kans.	1,212	33,119	27.33	-1.4	-1.5	-10.0	+3.6
Ky.	1,104	18,294	16.57	+12.0	+11.8	( <sup>3</sup> )	( <sup>3</sup> )
La.	1,450	34,426	23.74	+7	+2.9	+8.8	+50.9
Maine	963	22,752	23.63	-9	-2	-10.8	-7.4
Md.	812	12,601	24.61	-1.5	-1.1	-16.6	-9.1
Mass.	995	26,188	26.32	-2	+1	-11.2	-5.1
Mich.	1,312	42,052	32.05	-8	-5	-6.0	+14.7
Minn.	1,004	31,024	30.90	-5	+4	-2.2	+10.1
Miss.	1,301	13,938	10.71	+6	+1.1	-5.0	-4.5
Mo.	5,100	81,000					
Mont.	318	8,495	26.71	-9	+1.3	-3.3	+4.9
Nebr.	649	14,978	23.08	-6	-8	-11.3	-5.6
Nev.	87	1,517	48.73	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
N. H.	307	7,752	25.25	-1.0	-1.2	-9.2	-3.3
N. J.	627	16,769	26.74	-1.6	-2	-12.4	-4.5
N. Mex.	252	7,258	28.80	0	+2.5	+7.2	+62.8
N. Y.	2,649	84,491	31.90	+4.5	+5.1	-3.9	+10.9
N. C.	2,168	33,798	15.59	-6	-7	-2.1	+9
N. Dak.	130	3,185	24.50	+8	+3.1	-3.7	+8.0
Ohio	3,548	82,905	23.37	-1.9	-1.1	-10.0	+3
Okl.	2,068	50,220	24.40	-9	-3	-5.8	+6
Oreg.	398	13,991	35.15	-1.2	+1.5	-14.6	+8.4
Pa.	13,437	401,179	29.86	-6	-1	-5.6	-5.4
R. I.	97	2,556	26.35	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
S. C.	812	9,655	11.89	+5	+10.0	-4	+10.6
S. Dak.	244	4,294	17.60	-4	+4	-4.3	+9.8
Tenn.	1,593	20,659	12.96	-1.1	-5.1	-3.9	+2
Tex.	4,423	106,044	23.98	+2.0	+2.9	+41.1	+47.6
Utah	122	4,011	32.88	-8	+5.7	-26.9	-15.0
Vt.	150	3,438	22.92	-2.0	-1.6	-4.5	-2.7
Va.	1,011	14,295	14.05	-5	+1.4	-6.4	+1.7
Wash.	808	29,641	36.68	-2.7	-1.3	-18.4	-16.3
W. Va.	874	15,416	21.07	-4.6	-5.6	-15.2	-20.4
Wis.	1,728	45,321	25.07	-9	+5	-10.1	-7.4
Wyo.	122	4,241	34.76	-8	+13.2	-10.9	+9.7

<sup>1</sup> For definitions of terms, see the Bulletin, September 1941, pp. 50-52. Figures in italics represent programs administered without Federal participation. Delaware and Alaska do not administer aid to the blind.

<sup>2</sup> Total for States with plans approved by Social Security Board.

<sup>3</sup> Includes program administered without Federal participation.

<sup>4</sup> Estimated.

<sup>5</sup> Not computed; less than 100 recipients.

<sup>6</sup> No program in operation in June 1942.

month and were 34.3 percent below June 1942. The average payment has increased \$2.92 over the past year.

*Federal work programs.*—The number of persons employed and their earnings under the WPA and

NYA student work programs dropped sharply during June as the liquidation of these programs reached the final stage. Data for these programs will no longer be reported in the Bulletin, since the amounts, if any, will be negligible.

Table 9.—Aid to dependent children: Recipients and payments to recipients, by State, June 1943 <sup>1</sup>

State	Number of recipients		Payments to recipients		Percentage change from—					
	Families	Children	Total amount	Average per family	May 1943 in—			June 1942 in—		
					Number of—		Amount	Number of—		Amount
					Families	Children		Families	Children	
Total .....	305,352	740,313	\$11,825,049	\$38.73	-2.6	-2.2	-0.5	-22.8	-21.3	-11.4
Total, 48 States <sup>2</sup> .....	302,622	743,163	11,768,363	38.89	-2.6	-2.2	-0.5	-22.8	-21.2	-11.3
Alabama .....	4,616	12,781	88,044	19.07	-2.5	-2.4	-1.1	-16.2	-18.6	+2.7
Alaska .....	40	181	\$,038	50.95	0	+8	+3.0	-20.0	-12.3	-22.9
Arizona .....	1,696	4,780	61,578	36.31	-2.6	-2.4	-2.4	-26.8	-22.5	-21.3
Arkansas .....	5,523	14,179	122,517	22.18	-9	-1.2	-1.1	-11.7	-12.8	+36.7
California .....	8,333	20,526	535,711	64.29	-4.6	-3.1	-2.8	-39.0	-36.9	-23.4
Colorado .....	4,147	10,760	139,446	33.63	-5.1	-4.2	-4.2	-30.2	-26.4	-23.9
Connecticut .....	1,900	4,900	123,000	42.31	-5.3	-4.1	-4.1	-38.5	-45.9	-23.3
Delaware .....	284	743	12,017	37.11	-2.7	-3.3	-4.0	-27.8	-23.7	-20.7
District of Columbia .....	816	2,455	30,282	24.18	-3.0	-3.0	-3.1	-25.4	-28.4	-25.8
Florida .....	4,254	9,704	102,870	23.68	-1.7	-1.5	-1.2	-8.1	-9.2	-3.7
Georgia .....	4,336	10,467	102,692	48.14	-3.5	-3.0	-6	-31.8	-30.0	-17.6
Hawaii .....	606	1,933	29,175	35.88	-4.3	-3.2	-3.2	-32.9	-29.7	-26.1
Idaho .....	2,011	5,406	72,153	32.23	-1.0	-7	-1.0	+15.2	+15.8	+15.0
Illinois .....	20,606	60,532	857,590	32.78	-4.2	-3.8	-3.8	-30.9	-27.8	-26.4
Indiana .....	10,325	22,434	338,492	30.16	-1.8	-1.9	-2.0	-18.3	-17.6	-13.9
Iowa .....	5,687	11,784	198,006	41.54	-3.8	-3.8	-4.1	-29.3	-27.6	-13.7
Kansas .....	4,767	11,784	198,006	35.64	+28.3	+22.9	+31.8	+223.0	+192.5	+227.9
Kentucky .....	1,518	4,533	54,100	33.11	-2.5	-2.5	+3.5	-19.7	-19.6	-5
Louisiana .....	12,083	30,885	400,017	47.35	-2.0	-1.6	-1.2	-8.6	-7.1	+4.4
Maine .....	1,663	4,692	78,741	34.48	-4.3	-4.0	-3.4	-31.9	-30.9	-27.5
Maryland .....	3,661	10,296	126,229	563.065	-2.3	-1.7	-1.0	-28.2	-27.0	-16.4
Massachusetts .....	8,616	21,497	563,065	57.72	-1.4	-1.0	-2.1	-27.2	-25.5	-3.5
Michigan .....	15,124	35,767	872,998	37.33	-3.5	-3.0	-1.2	-23.8	-22.8	-18.3
Minnesota .....	6,788	16,567	253,402	20.43	+1.1	+1.2	+1.5	-3.0	-3.5	-1.6
Mississippi .....	2,499	6,370	51,045	31.64	-2.4	-2.0	-2.1	-13.1	-10.1	+17.2
Missouri .....	12,251	29,084	387,682	32.65	-5.4	-4.7	-4.5	-29.8	-28.6	-25.9
Montana .....	1,831	4,605	59,779	32.25	-3.5	-3.3	-3.3	-31.4	-29.6	-22.1
Nebraska .....	3,711	8,522	119,683	24.33	-7.2	+0	-5.4	-7.2	-8.6	-8.9
Nevada .....	103	285	8,608	51.82	-3.0	-2.9	-1.7	-6.5	-7.7	+1.3
New Hampshire .....	786	2,148	40,730	32.05	-3.4	-3.5	-5.7	-35.9	-34.9	-35.4
New Jersey .....	5,375	12,436	172,266	39.99	-1.0	-9	+9	-3.8	-5.2	+37.9
New Mexico .....	2,275	6,607	90,976	62.65	-1.4	+7	-3	-30.5	-25.5	-11.5
New York .....	19,237	40,942	1,205,107	18.29	-3.2	-3.0	-2.3	-19.8	-19.0	-14.6
North Carolina .....	7,951	18,789	145,400	37.57	-1.5	-1.5	+7	-19.8	-19.8	-5.5
North Dakota .....	2,007	5,624	75,413	45.85	-1.8	-1.1	-6	-17.1	-16.4	-1.4
Ohio .....	9,560	25,272	438,343	23.07	-2.5	-2.2	-2.1	-18.0	-18.1	-14.2
Oklahoma .....	15,673	36,929	361,648	59.93	-5.8	-4.6	-3.9	-33.9	-32.6	-14.4
Oregon .....	1,340	3,218	80,312	53.33	-3.8	-3.6	+7.3	-37.6	-36.3	-18.0
Pennsylvania .....	29,792	76,559	1,588,927	60.84	-1.8	-1.2	+4	-8.1	-10.1	+6.6
Rhode Island .....	1,140	3,106	69,363	19.74	-5	+7	+1.8	-9.7	-9.5	+6.6
South Carolina .....	3,639	10,640	71,633	30.91	-1.6	-9	-4	-6.6	-6.8	+4
South Dakota .....	1,740	4,058	53,776	20.65	-1.9	-1.8	-4.2	-9.8	-8.2	-2.1
Tennessee .....	12,832	32,510	294,999	21.30	-4	-8	-6	-21.3	-16.5	-18.7
Texas .....	11,846	26,382	252,374	51.77	-2.9	-2.9	+8	-40.9	-40.5	-33.7
Utah .....	2,063	5,455	106,806	33.18	-9	-5	-6	-11.0	-13.5	-10.1
Vermont .....	645	1,609	21,398	22.01	-3.7	-3.7	-2.0	-15.7	-17.6	-10.3
Virginia .....	4,185	11,788	92,112	66.88	-3.6	-4.8	+6.8	-31.7	-31.7	+4.3
Washington .....	3,328	8,045	222,580	29.78	-6.5	-5.6	-7.1	-31.1	-27.5	-34.0
West Virginia .....	8,730	24,394	290,000	44.50	-5.5	-4.5	-6.2	-27.6	-25.3	-18.6
Wisconsin .....	8,034	19,304	357,499	33.57	-5.4	-7.0	-7.6	-34.6	-34.1	-34.5
Wyoming .....	489	1,280	16,417							

<sup>1</sup> For definitions of terms, see the Bulletin, September 1941, pp. 50-52. Figures in italics represent programs administered without Federal participation.

<sup>2</sup> Total for States with plans approved by Social Security Board.

<sup>3</sup> Estimated.

<sup>4</sup> Includes program administered without Federal participation.

<sup>5</sup> No approved plan for June 1942. Percentage change based on program administered without Federal participation.

<sup>6</sup> In addition, in 59 counties payments amounting to \$5,648 were made from local funds without State or Federal participation to 437 families in behalf of 1,195 children under State mothers'-pension law; some of these families also received aid under approved plan.

# EMPLOYMENT SECURITY

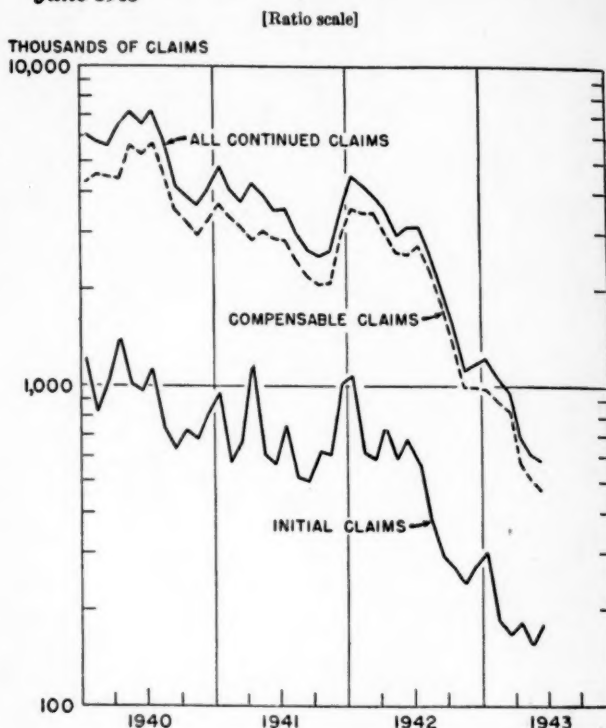
BUREAU OF EMPLOYMENT SECURITY • PROGRAM DIVISION

## Operations of the Unemployment Compensation Program

**June activities.**—Benefit checks issued to unemployed workers during June aggregated \$5.9 million, 6.8 percent less than in the previous month and the lowest amount on record. Increases, however, were reported by 20 States (table 3). Colorado reported the largest relative gain (72 percent) which resulted from a recent decision of the Colorado Supreme Court that the State agency should pay benefits to workers whose claims were originally denied because of a labor dispute. In New York, benefit payments declined 25 percent despite the large volume of initial claims filed during May; the increased number of waiting-period claims received in June, however, presages a greater volume of benefit payments during July.

Completion of construction projects in several States brought about a 16-percent increase in the number of initial claims received in local offices throughout the country (table 2). Twenty-four States reported increases, all but 4 of which were less than 50 percent. The 279-percent rise in Maryland was caused by a temporary shut-down of a war plant after an explosion. Data available from 43 States indicate

**Chart 1.—Number of initial and continued claims received in local offices, by month, January 1940–June 1943**



**Table 1.—Summary of unemployment compensation operations, June and January–June 1943**

Item	June 1943			January–June 1943		
	Number or amount	Percentage change from—		Number or amount	Percentage change from—	
		May 1943	June 1942		January–June 1942	January–June 1941
Initial claims <sup>1</sup>	179,458	+16.4	–73.7	1,168,107	–72.8	–74.2
Continued claims <sup>1</sup>	584,450	–2.5	–81.1	5,121,075	–76.9	–78.9
Waiting-period	114,936	+19.6	–79.8	885,375	–75.7	–83.5
Compensable	469,514	–6.7	–81.4	4,235,700	–77.1	–77.6
Weeks compensated	445,618	–7.8	–81.7	4,080,856	–77.6	–78.0
Total unemployment	394,565	–8.3	–82.3	3,067,078	–78.1	–78.3
Part-total unemployment <sup>2</sup>	14,983	<sup>3</sup> +15.5	<sup>4</sup> –79.7	108,195	–80.0	
Partial unemployment <sup>2</sup>	31,073	<sup>3</sup> +5.1	<sup>4</sup> –77.4	225,379	<sup>4</sup> –76.7	<sup>5</sup> –78.7
Weekly average beneficiaries for month	100,256	–16.1	–81.9			
Gross benefits paid	\$5,949,584	–6.8	–80.3	\$53,502,306	–75.9	–72.8
Net benefits paid since benefits first payable	\$2,085,735,680					
Funds available for benefits as of June 30	\$4,007,523,598	+6	+38.6			

<sup>1</sup> Excludes North Carolina for June; data not reported.

<sup>2</sup> Excludes New York because data not reported, and Montana and Pennsylvania, which have no provisions for partial and part-total unemployment.

<sup>3</sup> Based on 48 States reporting this type of payment during both periods.

<sup>4</sup> Based on 47 States reporting this type of payment during both periods.

<sup>5</sup> Based on 31 States reporting comparable data.

<sup>6</sup> Excludes \$3,276 resulting from review of 1938–41 seasonal claims in Oregon.

<sup>7</sup> Excludes \$70,950 resulting from review of 1938–41 seasonal claims in Oregon.



that nearly three-fourths of the initial claims received during the month were new claims—i. e., claims establishing new benefit years.

The total volume of continued claims received

during the month decreased slightly (2.5 percent) from May, but the relative number of waiting-period claims increased from 16 percent of the total in May to 20 percent in June, chiefly be-

**Table 2.—Initial and continued claims received in local offices, by State, June 1943**

[Data reported by State agencies, corrected to July 22, 1943]

Social Security Board region and State	Initial claims					Continued claims				
	Number	Percentage change from—		New <sup>1</sup>	Additional <sup>1</sup>	Number	Percentage change from—		Waiting-period	Compensable
		May 1943	June 1942				May 1943	June 1942		
Total <sup>2</sup> .....	179,458	+16.4	-73.7			584,450	-2.5	-81.1	114,936	469,514
Region I:										
Connecticut.....	2,139	+35.0	-80.2	1,824	315	3,411	+9.2	-91.0	789	2,622
Maine.....	1,094	-12.5	-66.3	750	344	5,590	-23.5	-67.4	795	4,795
Massachusetts.....	6,903	+31.6	-75.0	4,839	2,064	20,245	+7.7	-87.4	3,813	16,432
New Hampshire.....	884	+5.1	-66.8	588	296	3,816	+4.9	-70.7	312	3,504
Rhode Island.....	2,170	+5.5	-71.9	1,811	359	10,189	+19.7	-83.0	929	9,260
Vermont.....	125	+11.6	-72.5	96	29	888	-11.7	-67.1	97	791
Region II:										
New York.....	57,075	+15.5	-79.9	42,858	14,217	107,882	-4.1	-83.6	46,071	61,811
Region III:										
Delaware.....	185	-37.5	-79.3	140	45	1,755	-4.0	-60.3	54	1,701
New Jersey.....	9,012	+11.0	-75.0	5,127	3,885	29,944	-11.5	-80.3	4,313	25,631
Pennsylvania.....	7,594	+23.5	-66.1	17,594	( <sup>3</sup> )	45,504	+3.1	-71.7	10,466	35,038
Region IV:										
District of Columbia.....	289	-5.6	-70.1	267	22	2,381	+6.3	-70.0	266	2,115
Maryland.....	4,451	+279.5	-4.6	14,451	( <sup>3</sup> )	7,364	-1.1	-80.9	1,964	5,400
North Carolina.....										
Virginia.....	1,463	-16.1	-62.5	1,279	184	13,459	+10.7	-70.0	977	12,482
West Virginia.....	1,644	+3.8	-64.5	1,475	169	7,520	+8.7	-76.0	730	6,790
Region V:										
Kentucky.....	1,530	-21.5	-61.5	1,135	395	11,404	-20.2	-54.3	580	10,824
Michigan.....	3,703	-7	-89.1	2,767	936	12,037	-22.9	-93.1	1,176	10,861
Ohio.....	2,530	-6.3	-83.6	12,530	( <sup>3</sup> )	10,896	-7.1	-91.3	2,010	8,886
Region VI:										
Illinois.....	35,988	+41.2	-52.8	25,220	10,768	80,187	+10.2	-80.2	12,333	67,854
Indiana.....	2,749	+6.2	-69.0	12,749	( <sup>3</sup> )	15,804	-11.4	-76.9	2,078	13,726
Wisconsin.....	1,135	-14.5	-80.8	( <sup>3</sup> )	( <sup>3</sup> )	5,844	-5.2	-84.1	1,170	4,674
Region VII:										
Alabama.....	1,775	+1.8	-67.4	1,291	484	11,900	-5.7	-67.3	2,237	9,663
Florida.....	1,985	+51.1	-72.7	1,985	( <sup>3</sup> )	8,484	+15.1	-81.8	918	7,566
Georgia.....	1,559	-7	-70.8	972	587	10,192	-4.5	-80.7	1,506	8,686
Mississippi.....	656	-10.5	-77.3	623	133	3,352	-3.1	-82.7	447	2,905
South Carolina.....	1,333	+3.2	-66.7	1,055	278	6,267	-9.4	-70.9	703	5,564
Tennessee.....	2,404	( <sup>3</sup> )	-65.4	1,914	490	18,566	+2.3	-70.4	1,845	16,721
Region VIII:										
Iowa.....	1,038	-5.1	-65.3	801	237	4,686	-17.2	-77.0	905	3,781
Minnesota.....	1,662	-26.4	-74.3	864	798	8,470	-26.1	-78.0	1,182	7,288
Nebraska.....	366	+41.3	-62.2	257	109	1,487	+4.9	-72.6	289	1,198
North Dakota.....	21	( <sup>3</sup> )	( <sup>3</sup> )	15	6	138	-44.4	-94.2	3	135
South Dakota.....	102	+27.5	-40.4	82	20	555	-15.0	-76.6	36	519
Region IX:										
Arkansas.....	1,162	+61.2	-54.2	1,022	140	3,496	-2.5	-73.3	232	3,264
Kansas.....	1,233	-7.6	-50.6	940	293	6,913	+15.1	-60.7	711	6,202
Missouri.....	3,949	-12.1	-57.2	2,956	993	18,309	+8.3	-78.2	3,966	14,343
Oklahoma.....	1,078	-27.2	-68.6	812	266	5,150	-18.5	-85.4	414	4,736
Region X:										
Louisiana.....	2,669	+28.8	-66.6	2,140	529	10,646	-2.1	-81.5	1,941	8,705
New Mexico.....	95	-12.8	-80.1	87	8	452	-17.1	-90.4	13	439
Texas.....	2,695	+29.8	-74.6	( <sup>3</sup> )	( <sup>3</sup> )	12,059	+11.9	-82.0	1,104	10,955
Region XI:										
Colorado.....	522	+4	-50.4	443	79	2,810	-1.8	-72.2	469	2,341
Idaho.....	97	-22.4	-71.0	78	19	780	-42.1	-70.8	75	705
Montana.....	78	-22.0	-84.2	49	29	539	-26.3	-89.7	88	451
Utah.....	99	+73.7	-85.7	67	32	329	+43.7	-91.2	15	314
Wyoming.....	30	( <sup>3</sup> )	( <sup>3</sup> )	30	0	109	+17.2	-91.1	8	101
Region XII:										
Arizona.....	253	-7.0	-74.4	229	24	2,695	-48.5	-46.5	61	2,634
California.....	8,480	-7.8	-77.8	4,116	4,364	45,911	-6.6	-80.5	4,182	41,729
Nevada.....	63	( <sup>3</sup> )	-65.8	42	21	202	+2.0	-84.9	18	184
Oregon.....	559	+41.9	-66.6	284	275	1,809	-6.3	-74.9	278	1,531
Washington.....	697	+32.3	-80.2	389	308	1,909	-3.3	-83.3	338	1,571
Territories:										
Alaska.....	41	( <sup>3</sup> )	( <sup>3</sup> )	4	37	52	0	-39.5	7	45
Hawaii.....	94	-34.7	-42.0	81	13	333	-9.3	-78.4	52	281

<sup>1</sup> State procedures do not provide for filing additional claims in Florida, Indiana, Maryland, Ohio, and Pennsylvania.

<sup>2</sup> Excludes North Carolina; data not reported.

<sup>3</sup> Excludes all claims for partial unemployment.

<sup>4</sup> Distribution by type of claim not available. In Wisconsin, provisions of State law are not comparable with those of other States.

<sup>5</sup> Decrease of less than 0.05 percent.

<sup>6</sup> Not computed, because fewer than 50 initial claims were reported in either or both periods.

cause of the large number of waiting-period claims received in New York. In 8 States—Arizona, Idaho, Kentucky, Maine, Michigan, Minnesota, Montana, North Dakota—continued claims fell more than 20 percent from May.

The average weekly number of beneficiaries dropped to 100,000—16 percent below the level of the previous month—with all but 9 States sharing in the decrease (table 3). In each of 19 States, a weekly average of less than 500

**Table 3.—Number of beneficiaries, number of weeks compensated, and amount of benefits paid, June 1943, by State**

[Data reported by State agencies, corrected to July 20, 1943]

Social Security Board region and State	Beneficiaries			Weeks compensated for specified types of unemployment				Benefits paid <sup>1</sup>		
	Average weekly number	Percentage change from—		All types	Total	Part-total <sup>2</sup>	Partial <sup>3</sup>	Amount	Percentage change from—	
		May 1943	June 1942						May 1943	June 1942
<b>Total</b> .....	100,256	-16.1	-81.9	445,618	394,565	14,983	31,073	\$5,949,584	-7.0	-80.4
<b>Region I:</b>										
Connecticut.....	640	-18.6	-90.1	2,882	2,610	23	249	44,069	-6.5	-88.6
Maine.....	1,143	-11.7	-65.7	5,011	3,368	203	1,440	40,976	-10.1	-69.4
Massachusetts.....	3,294	-1.0	-88.8	13,772	12,185	101	1,486	172,064	+3.9	-86.5
New Hampshire.....	731	+3.1	-69.9	3,293	2,864	13	416	33,238	+9.0	-63.5
Rhode Island.....	2,088	+5.1	-84.5	9,986	8,540	0	1,446	147,669	+18.4	-78.1
Vermont.....	165	-14.9	-65.7	727	683	21	23	7,794	-3.0	-58.7
<b>Region II:</b>										
New York.....	16,336	-34.1	-77.1	70,682	65,685	( <sup>4</sup> )	( <sup>4</sup> )	1,047,276	-25.1	-77.7
<b>Region III:</b>										
Delaware.....	384	-7.5	-58.4	1,662	1,304	20	338	14,638	+6	-61.4
New Jersey.....	5,678	-24.5	-80.1	25,880	23,112	57	2,711	380,734	-10.1	-76.8
Pennsylvania.....	5,499	-10.1	-74.8	25,378	25,378	( <sup>4</sup> )	( <sup>4</sup> )	372,153	+6.4	-66.8
<b>Region IV:</b>										
District of Columbia.....	520	-1.1	-67.1	2,241	2,185	47	9	33,809	+8	-62.0
Maryland.....	1,419	-18.4	-84.5	6,603	4,764	52	1,787	87,267	-5.7	-80.7
North Carolina.....	1,473	-33.4	-80.6	6,292	5,653	55	554	43,211	-29.1	-80.0
Virginia.....	2,798	+7.2	-72.0	12,578	11,996	396	186	122,231	+14.0	-69.6
West Virginia.....	1,273	+8.9	-76.1	6,092	5,267	0	825	93,421	+14.8	-66.7
<b>Region V:</b>										
Kentucky.....	1,888	-12.6	-72.3	8,295	7,459	494	342	73,238	-11.0	-67.9
Michigan.....	2,431	-41.2	-94.1	10,588	10,114	316	158	168,597	-31.2	-94.2
Ohio.....	1,575	-17.5	-92.6	7,176	6,277	180	719	86,652	-20.6	-92.9
<b>Region VI:</b>										
Illinois.....	15,399	+4.8	-82.1	69,227	55,817	4,815	8,595	1,011,140	+14.5	-80.5
Indiana.....	3,373	-16.0	-76.7	14,263	12,484	542	1,237	186,730	-17.1	-74.2
Wisconsin.....	837	-19.7	-87.0	3,789	3,134	168	487	45,852	-5.6	-86.7
<b>Region VII:</b>										
Alabama.....	2,123	-13.3	-65.8	9,287	8,955	307	25	100,440	-8.7	-59.1
Florida.....	1,015	+24.8	-89.1	4,621	4,409	165	47	49,698	+15.4	-88.0
Georgia.....	1,789	-5.2	-79.7	7,756	7,378	201	177	74,140	-7.8	-78.5
Mississippi.....	446	-23.2	-87.2	1,941	1,747	72	122	22,316	-17.3	-83.5
South Carolina.....	686	-27.8	-83.0	2,846	2,717	67	62	29,050	-25.1	-79.3
Tennessee.....	3,311	-16.4	-71.4	15,629	15,019	424	186	167,240	-2.2	-64.4
<b>Region VIII:</b>										
Iowa.....	825	-17.1	-77.4	3,800	3,490	234	76	38,151	+9	-76.7
Minnesota.....	1,619	-30.5	-78.0	7,203	6,493	505	205	88,734	-20.5	-76.7
Nebraska.....	257	-12.3	-72.6	1,207	998	52	157	13,706	+1.7	-63.8
North Dakota.....	22	-60.7	-95.1	96	72	3	21	811	-54.7	-95.6
South Dakota.....	88	-22.1	-80.5	393	323	6	64	3,295	-8.8	-79.7
<b>Region IX:</b>										
Arkansas.....	494	+9.3	-69.3	2,091	1,945	59	87	19,545	+13.9	-62.7
Kansas.....	1,360	+13.1	-55.6	5,934	5,458	336	140	73,774	+22.5	-44.0
Missouri.....	2,693	-8.3	-81.1	11,674	10,291	164	1,219	151,862	+2.2	-79.5
Oklahoma.....	732	-22.4	-88.0	3,241	2,824	360	57	45,263	-12.4	-85.5
<b>Region X:</b>										
Louisiana.....	1,579	-18.9	-85.1	6,632	6,052	294	286	78,319	-17.0	-81.9
New Mexico.....	43	-36.8	-95.1	210	203	7	0	1,787	-24.8	-94.9
Texas.....	1,019	-11.1	-90.4	4,504	4,210	294	0	45,652	+3	-88.4
<b>Region XI:</b>										
Colorado.....	336	-5.9	-82.7	1,458	1,341	38	79	30,639	( <sup>5</sup> )	( <sup>5</sup> )
Idaho.....	148	-49.0	-72.8	624	595	28	1	6,980	-54.4	-72.6
Montana.....	103	-51.6	-93.0	499	499	( <sup>4</sup> )	( <sup>4</sup> )	5,114	-35.5	-92.2
Utah.....	58	-34.1	-93.0	271	257	9	8	4,183	-18.7	-91.3
Wyoming.....	7	+40.0	-96.2	34	28	4	2	482	+57.5	-94.0
<b>Region XII:</b>										
Arizona.....	71	-9.0	-88.9	318	310	8	0	4,157	+6.9	-87.1
California.....	9,758	-10.9	-80.9	43,868	35,759	3,609	4,500	646,781	-9	-79.6
Nevada.....	39	-23.5	-83.7	155	146	8	1	2,214	-25.2	-83.2
Oregon.....	311	-43.4	-75.6	1,369	1,012	118	239	12,022	-17.0	-79.6
Washington.....	313	-10.6	-86.0	1,172	827	90	255	14,503	-26.7	-85.4
<b>Territories:</b>										
Alaska.....	19	-42.4	-87.1	75	75	0	0	1,030	-38.1	-87.3
Hawaii.....	48	-7.7	-89.1	323	253	18	52	4,917	+29.6	-70.7

<sup>1</sup> Benefits for partial and part-total unemployment are not provided by State law in Montana and Pennsylvania. New York data not available.

<sup>2</sup> Not adjusted for voided benefit checks; includes supplemental payments.

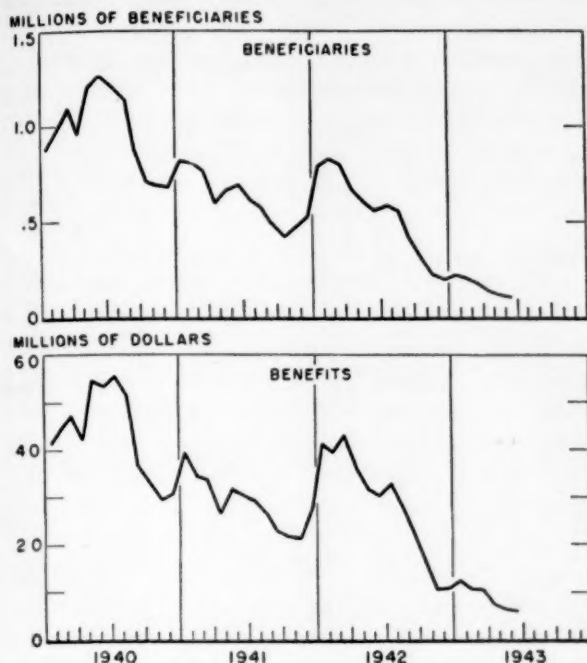
<sup>3</sup> Excludes \$5,276 resulting from review of 1938-41 seasonal claims in Oregon.

<sup>4</sup> Based on data for 50 States. See footnote 6.

<sup>5</sup> Includes payments of claims pending since 1941 and 1942.

<sup>6</sup> Data not comparable.

Chart 2.—Number of beneficiaries and amount of unemployment benefits paid, January 1940–June 1943



persons received benefits during the month, and in 6 of these—Alaska, Hawaii, Nevada, New Mexico, North Dakota, Wyoming—the average was less than 50.

The amount of funds available for benefits at the end of June for the country as a whole exceeded \$4 billion, or 8.9 percent more than at the end of the previous quarter (table 5). The largest relative increase occurred in Nevada, where the reserve increased 17 percent.

About \$324 million was collected and deposited in State clearing accounts during the quarter, 5.2 percent more than the amount collected during the first quarter of the year. Despite increased pay rolls, nearly half the States reported decreases in collections; in several States the assignment of reduced rates under experience rating to employers was responsible for the declines.

Although January–June collections represented the largest amount collected during any 6-month period (\$632 million), the amount paid in benefits during this period totaled only \$53.4 million, less than one-third the amount paid during January–June 1938 when only 25 States had begun to pay benefits. As a result, the ratio of benefits to

collections during the first half of 1943 fell to 8.4 percent (table 4) as compared with 40 percent in the first 6 months of 1942, and 65 percent in the corresponding period of 1940.

Table 4.—Ratio of benefits<sup>1</sup> to collections,<sup>2</sup> by State, by specified period through June 1943

[Based on data reported by State agencies,<sup>3</sup> corrected to July 20, 1943]

Social Security Board region and State	Month and year benefits first payable	Ratio (percent) of—			
		Benefits to collections, January–June 1943	Benefits to collections, July 1942–June 1943	Benefits to collections since benefits first payable	Total benefits to cumulative collections and interest
Total.....		8.4	14.5	43.4	34.2
Region I:					
Connecticut.....	Jan. 1938.....	2.3	5.8	25.4	21.4
Maine.....	do.....	5.9	8.3	49.6	42.7
Massachusetts.....	do.....	7.6	17.2	51.6	41.2
New Hampshire.....	do.....	8.6	10.8	49.1	37.9
Rhode Island.....	do.....	9.5	17.3	50.8	43.8
Vermont.....	do.....	6.7	7.6	36.4	29.9
Region II:					
New York.....	do.....	12.8	26.3	52.5	45.1
Region III:					
Delaware.....	Jan. 1939.....	13.6	14.3	27.9	18.7
New Jersey.....	do.....	9.7	16.7	26.9	20.2
Pennsylvania.....	Jan. 1938.....	4.2	6.2	41.1	35.0
Region IV:					
Dist. of Columbia.....	do.....	5.5	7.4	23.5	19.1
Maryland.....	do.....	4.2	7.1	36.0	31.6
North Carolina.....	do.....	4.6	7.8	33.6	28.5
Virginia.....	do.....	10.1	14.2	42.3	34.9
West Virginia.....	do.....	6.3	11.1	45.2	37.0
Region V:					
Kentucky.....	Jan. 1939.....	9.4	10.7	30.0	20.7
Michigan.....	July 1938.....	8.4	17.9	62.1	48.5
Ohio.....	Jan. 1939.....	3.9	9.9	29.2	20.1
Region VI:					
Illinois.....	July 1939.....	16.6	26.7	43.5	27.6
Indiana.....	Apr. 1938.....	9.7	11.9	42.7	33.6
Wisconsin.....	July 1936.....	6.7	7.4	31.4	22.7
Region VII:					
Alabama.....	Jan. 1938.....	16.7	21.8	44.6	37.0
Florida.....	Jan. 1939.....	8.4	21.7	59.1	44.5
Georgia.....	do.....	10.6	19.6	36.9	26.8
Mississippi.....	Apr. 1938.....	9.2	10.7	50.3	41.6
South Carolina.....	July 1938.....	12.0	15.2	35.6	27.2
Tennessee.....	Jan. 1938.....	14.9	20.2	50.1	42.7
Region VIII:					
Iowa.....	July 1938.....	9.2	9.4	43.0	32.8
Minnesota.....	Jan. 1938.....	14.2	14.9	57.7	47.2
Nebraska.....	Jan. 1939.....	6.4	6.4	44.9	27.1
North Dakota.....	do.....	10.0	9.9	65.4	39.0
South Dakota.....	do.....	7.4	6.1	35.4	21.9
Region IX:					
Arkansas.....	do.....	5.1	8.4	43.3	32.5
Kansas.....	do.....	6.3	7.0	32.7	22.3
Missouri.....	do.....	18.6	32.1	32.4	22.0
Oklahoma.....	Dec. 1938.....	9.2	14.5	48.1	31.8
Region X:					
Louisiana.....	Jan. 1938.....	9.6	16.4	52.7	44.7
New Mexico.....	Dec. 1938.....	2.5	4.6	57.5	40.2
Texas.....	Jan. 1938.....	3.7	6.4	36.4	29.3
Region XI:					
Colorado.....	Jan. 1939.....	2.8	3.9	48.2	33.0
Idaho.....	Sept. 1938.....	6.3	4.2	60.9	46.9
Montana.....	July 1939.....	5.1	5.2	70.9	43.7
Utah.....	Jan. 1938.....	1.9	3.2	46.0	39.1
Wyoming.....	Jan. 1939.....	1.2	1.7	61.7	41.4
Region XII:					
Arizona.....	Jan. 1938.....	1.9	3.3	44.4	37.5
California.....	do.....	6.6	9.3	44.7	37.8
Nevada.....	Jan. 1939.....	1.5	1.7	46.3	36.7
Oregon.....	Jan. 1938.....	3.5	3.2	40.5	34.8
Washington.....	Jan. 1939.....	1.8	1.6	33.8	25.7
Territories:					
Alaska.....	do.....	3.2	2.4	33.8	26.7
Hawaii.....	do.....	1.6	1.9	9.2	6.5

<sup>1</sup> Adjusted for voided benefit checks.

<sup>2</sup> See table 5, footnotes 3 and 4.

<sup>3</sup> Except interest, which is credited and reported by Treasury.

<sup>4</sup> Ratio for Wisconsin based on benefits and collections since Jan. 1, 1938



**Table 5.—State unemployment compensation funds available for benefits, cumulative collections and interest, and benefits paid, by State, by specified period through June 1943**

[Data reported by State agencies,<sup>1</sup> corrected to July 20, 1943]

Social Security Board region and State	Month and year benefits first payable	Funds available for benefits as of June 30, 1943		Collections <sup>2</sup>				Benefits paid <sup>3</sup>		
		Amount <sup>4</sup>	Percent- age change from Mar. 31, 1943	Cumulative through June 1943 <sup>4</sup>		April-June 1943		Cumulative through June 1943 <sup>7</sup>	April-June 1943	
				Collections and interest <sup>5</sup>	Collections	Amount	Percent- age change from January- March 1943		Amount	Percent- age change from January- March 1943
<b>Total</b>		\$4,007,523,598	+8.9	\$6,093,259,239	\$5,827,335,282	\$324,162,935	+5.2	\$2,085,735,680	\$19,511,609	-42.4
<b>Region I:</b>										
Connecticut	Jan. 1938	105,462,571	+8.6	134,155,577	128,019,487	7,930,944	+18.3	28,603,004	128,414	-39.7
Maine	do	18,816,740	+15.0	32,854,583	32,013,803	2,469,107	+6.6	14,037,837	111,149	-35.4
Massachusetts	do	154,437,650	+5.7	262,657,066	250,818,844	7,945,779	-7.5	108,219,413	489,731	-36.1
New Hampshire	do	14,113,986	+7.1	22,737,295	21,769,147	957,997	-3.4	8,623,309	93,109	+23.8
Rhode Island	do	40,933,670	+9.9	72,823,805	70,642,595	3,835,172	+8.8	31,890,137	371,922	+14.1
Vermont	do	7,384,925	+8.5	10,540,057	10,061,022	566,902	+11.8	3,155,136	25,722	-44.5
<b>Region II:</b>										
New York	do	501,004,454	+11.7	912,741,769	880,665,170	54,130,236	+17.2	411,737,314	4,186,797	-51.9
<b>Region III:</b>										
Delaware	Jan. 1939	11,663,229	+3.2	14,345,292	13,450,215	342,643	-9.0	2,682,064	41,996	-25.0
New Jersey	do	265,901,567	+7.4	332,845,807	315,151,247	18,329,188	+16.7	67,154,241	1,328,158	-32.7
Pennsylvania	Jan. 1938	393,832,304	+10.4	605,489,145	584,033,552	36,218,932	+11.8	211,636,844	1,072,768	-40.8
<b>Region IV:</b>										
Dist. of Col.	do	36,898,014	+6.9	45,009,780	42,935,830	2,285,660	+10.3	8,711,769	101,841	-25.1
Maryland	do	69,105,216	+12.8	100,976,440	97,525,117	7,755,382	+10.8	31,871,222	298,519	-22.0
North Carolina	do	60,496,768	+10.6	84,647,921	81,134,834	5,646,493	+12.6	24,151,154	181,004	-40.8
Virginia	do	41,423,359	+4.5	63,009,508	60,752,069	1,828,339	-42.2	22,186,150	285,484	+30.9
West Virginia	do	44,032,569	+7.4	69,936,233	67,343,170	2,999,971	-8.8	25,903,667	209,303	+12.0
<b>Region V:</b>										
Kentucky	Jan. 1939	58,421,314	+4.5	73,097,920	69,468,214	2,435,000	-14.3	15,276,603	219,534	-19.9
Michigan	July 1938	173,103,712	+10.3	336,098,503	324,736,009	16,005,378	+15.0	162,994,796	742,231	-58.2
Ohio	Jan. 1939	302,001,535	+6.0	377,880,131	355,303,110	15,840,734	+31.3	75,878,596	330,974	-56.9
<b>Region VI:</b>										
Illinois	July 1939	350,096,712	+4.0	483,590,420	457,966,245	14,270,023	-45.2	133,493,712	2,629,895	-35.0
Indiana	Apr. 1938	104,944,739	+10.5	158,149,681	151,270,434	10,085,017	+21.2	53,204,948	642,222	-43.6
Wisconsin	July 1936	92,576,619	+6.7	119,828,303	111,623,101	5,488,078	+60.2	27,251,682	180,874	-56.8
<b>Region VII:</b>										
Alabama	Jan. 1938	41,892,581	+7.6	66,535,340	63,958,970	3,082,614	+1.0	24,642,763	336,563	-51.0
Florida	Jan. 1939	25,689,456	+13.3	46,257,636	44,497,430	3,025,890	+3.5	20,568,177	147,387	-57.9
Georgia	do	45,536,511	+8.1	61,394,071	58,197,108	3,418,033	+8.7	15,857,562	256,486	-41.7
Mississippi	Apr. 1938	12,073,627	+12.1	20,685,340	19,988,436	1,324,372	-15.0	8,611,679	81,719	-55.5
South Carolina	July 1938	24,331,412	+6.5	33,430,610	31,721,453	1,467,861	-10.8	9,096,200	121,242	-52.0
Tennessee	Jan. 1938	38,301,126	+12.2	66,808,581	64,846,954	4,484,412	+3.9	28,507,752	533,971	-31.1
<b>Region VIII:</b>										
Iowa	July 1938	34,455,735	+6.8	51,252,238	48,826,373	2,156,167	+4.9	16,796,499	129,600	-50.1
Minnesota	Jan. 1938	43,939,861	+10.7	83,282,650	80,033,443	4,406,217	+22.5	39,342,788	391,055	-47.8
Nebraska	Jan. 1939	15,015,384	+9.4	20,595,279	19,384,346	1,251,493	-6.6	5,579,900	44,985	-63.1
North Dakota	do	3,252,785	+5.6	5,329,440	5,040,933	162,913	-19.5	2,076,657	7,246	-75.2
South Dakota	do	4,801,427	+3.3	6,151,342	5,741,603	137,526	-46.0	1,349,916	10,957	-39.6
<b>Region IX:</b>										
Arkansas	do	16,927,582	+9.3	25,082,311	24,058,667	1,407,828	-15.3	8,154,733	57,182	-42.0
Kansas	do	29,253,722	+12.2	37,654,727	35,691,220	3,431,650	-4.4	8,401,008	194,333	-9.8
Missouri	do	99,499,829	+5.4	127,488,884	119,827,747	5,075,362	+16.9	27,989,058	511,809	-58.7
Oklahoma	Dec. 1938	29,651,979	+7.2	43,453,004	41,088,945	1,988,367	-5.8	13,801,030	162,715	-23.9
<b>Region X:</b>										
Louisiana	Jan. 1938	36,759,330	+12.7	66,515,405	63,987,664	4,219,911	+6.3	29,756,076	282,386	-44.3
New Mexico	Dec. 1938	5,594,926	+9.4	9,349,807	8,941,774	458,422	-4.2	3,754,878	8,197	-44.8
Texas	Jan. 1938	96,875,881	+6.6	137,036,405	129,724,424	5,654,590	-16.4	40,160,527	145,556	-54.3
<b>Region XI:</b>										
Colorado	Jan. 1939	21,902,472	+7.6	32,673,615	31,086,795	1,472,602	-16.0	10,771,140	47,178	+7.3
Idaho	Sept. 1938	7,916,015	+10.1	14,903,075	14,438,474	733,220	-39.2	6,987,057	47,211	-37.3
Montana	July 1939	10,021,100	+9.9	17,799,837	17,042,667	883,519	-3.2	7,778,735	30,126	-51.6
Utah	Jan. 1938	12,968,263	+15.6	21,309,855	20,654,772	1,704,289	-2.0	8,341,596	18,239	-60.7
Wyoming	Jan. 1939	4,803,329	+6.9	8,190,785	7,848,091	286,863	-39.5	3,387,462	1,613	-78.8
<b>Region XII:</b>										
Arizona	Jan. 1938	10,188,723	+11.5	16,301,684	15,765,244	1,010,247	-12.8	6,112,958	12,915	-55.8
California	do	363,926,703	+12.4	585,356,109	562,019,712	40,301,254	+9.2	221,429,407	2,116,021	-28.9
Nevada	Jan. 1939	5,276,269	+16.9	8,328,906	8,092,077	745,966	-14.0	3,052,637	10,661	-21.3
Oregon	Jan. 1938	34,739,453	+12.9	53,307,260	51,558,139	3,888,245	+4.4	18,567,809	89,255	-49.1
Washington	Jan. 1939	68,834,656	+13.4	92,681,552	89,028,331	7,833,406	+6.8	23,846,897	55,982	-73.7
<b>Territories:</b>										
Alaska	do	3,663,348	+9.0	4,998,332	4,820,035	291,368	+5.6	1,334,983	6,654	-42.4
Hawaii	do	12,988,461	+6.1	13,889,659	13,040,240	691,353	+8.5	901,198	10,718	+8.0

<sup>1</sup> Except interest, which is credited and reported by Treasury.

<sup>2</sup> Represents sum of balances at end of month in State clearing account and benefit-payment account, and in State unemployment trust fund account in Treasury. State unemployment trust fund accounts reflect transfers to railroad unemployment insurance account.

<sup>3</sup> Represents contributions, penalties, and interest from employers, and contributions from employees. Adjusted for refunds and for dishonored contribution checks. Current contribution rates (percent of taxable wages) are: For employers, 2.7 percent except in Michigan, where rate is 3.0 percent; for employees, 1.0 percent in Alabama, California, and New Jersey, and 0.5 percent in Rhode Island. 36 States have adopted experience rating which

modifies above rates. All States collect contributions either wholly or in part on quarterly basis.

<sup>4</sup> Includes \$40,561,886 refunded in 1938 by Federal Government to 15 States, collected on pay rolls for 1936 under title IX of Social Security Act. Excludes contributions through June 30, 1939, on wages earned by workers now subject to Railroad Unemployment Insurance Act.

<sup>5</sup> Interest represents earnings of funds in State accounts in unemployment trust fund and is credited at end of each quarter.

<sup>6</sup> Adjusted for voided benefit checks.

<sup>7</sup> Includes benefits paid through June 30, 1939, to workers now subject to Railroad Unemployment Insurance Act.

In 16 States—the majority of them west of the Mississippi—less than 5 cents was paid in benefits for every dollar collected during the first half of the current year.

June 30 marked the close of the fourth full fiscal year in which all States paid unemployment compensation under their respective State laws. Some State programs were operative prior to July 1939, but in most of these States that period was used for the accumulation of reserves, and no benefits were paid.

Striking changes in labor-market conditions, resulting from the Nation's entry into war, have materially affected unemployment compensation activities in the past 2 years. Certain operations—notably the filing and payment of claims for benefits—have declined markedly, but a certain amount of growth may be seen in certain other aspects, such as the number of employer units and workers who have come under the unemployment compensation system.

The number of subject employers rose from

810,600 in 1939–40 to 880,300 in the fiscal year just ended. The increase in the number of covered workers in the same period is even more pronounced—from 30.0 million to 40.6 million. The unemployment compensation reserve fund has more than doubled, rising from a total of \$1.7 billion at the end of 1939–40 to \$4.0 billion 3 years later.

During the fiscal year just ended, about 1.3 million beneficiaries received a total of \$176 million in benefits for approximately 13.6 million man-weeks of unemployment, as compared with about 5.2 million beneficiaries to whom \$483 million was paid during 1939–40. Continued claims filed in local offices dropped steadily during the 4-year period, from 64 million to 17 million. Only 14.5 cents was paid in benefits for every dollar collected in 1942–43, despite legislative changes in a number of States which liberalized benefit formulas and coverage qualifications. These corresponding ratios were 33.8 in 1941–42, 48.7 in 1940–41, and 56.5 in 1939–40.

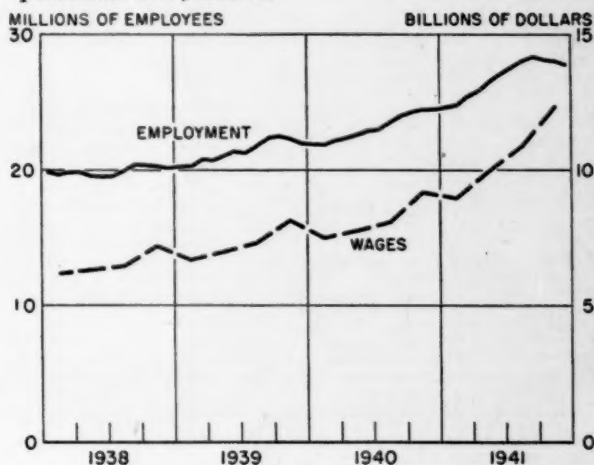
## Employment and Wages of Workers Covered by State Unemployment Compensation Laws, 1941\*

The unprecedented level of business activity in 1941, brought about by national defense production superimposed on a record level of production of consumer goods, was directly reflected in the employment and wages of workers covered by the Federal-State employment security program. The average monthly employment of covered workers increased from 23.1 million in 1940 to 26.8 million in 1941, and their total wages rose from \$32.4 billion to \$42.1 billion.

The 16-percent increase in average monthly covered employment was brought about almost entirely by the marked expansion of employment in covered industries.<sup>1</sup> Estimates prepared by the Department of Commerce indicate that average monthly total civilian employment increased approximately 6 percent from 1940 to 1941. This

comparison not only indicates that covered employment participated in the economic expansion to a greater extent than industry as a whole, but also that employment declined in some of the segments of the employed labor force which were excluded from coverage, such as proprietors and

Chart 1.—Monthly employment and quarterly wages of workers covered by State unemployment compensation laws, 1938–41



\* Detailed data will appear in the *Social Security Yearbook, 1942*, now in press.

<sup>1</sup> The State of Washington extended coverage from employers of 8 or more workers in 20 weeks to 1 or more at any time, effective July 1, 1941. Several States also amended their laws to include employees of national banks and member banks of the Federal Reserve System. On the other hand, several States amended their laws to exclude certain employees engaged in commercial operations connected with the handling of agricultural products, and insurance agents paid wholly on a commission basis.

self-employed persons, unpaid family workers, agricultural workers, and domestic workers. The additional covered workers came from these groups as well as from the ranks of the unemployed, which decreased from 8.9 million in 1940 to 5.6 million in 1941, according to estimates of the Department of Commerce.

Whereas covered employment comprised 50.2 percent of total civilian employment in 1940, the ratio had increased to 54.9 percent in 1941. Similarly, the ratio of total wages earned in covered employment to all salaries and wages rose from 66.7 percent in 1940 to 69.2 percent in 1941. The fact that covered workers comprise about one-half of all workers, yet earn more than two-thirds of all wages and salaries, indicates that earnings in covered employment are relatively higher than in other occupations.

### Employment

Total covered employment increased each month in 1941 to a September peak of 28.3 million workers, 18 percent above the September 1940 level. Although the trend was comparable with that in 1940, the rate of increase was greatly accelerated. From January to September 1941, the average monthly increase amounted to 469,000 as compared with 265,000 in the comparable period of 1940. Although employment decreased during each month of the fourth quarter of 1941, 27.8 million employed workers were reported at the end of December, approximately 3.3 million above the level of the previous December.

The economic expansion in 1941 was due chiefly to increased activities in manufacturing and construction. Approximately three-fourths of the total increase in average monthly employment was due to expanding employment in establishments engaged in these activities. Employment in manufacturing establishments, unlike the seasonal pattern of previous years, continued upward each month from the beginning of 1941 to reach a peak of 13.8 million in September, an increase of 2.6 million or 23 percent above the September 1940 level. Although employment declined in the last quarter, the 13.4 million workers employed in December represented an increase of 18 percent over the year. Except for a slight decline in tobacco manufacturing, the average monthly employment in each of the major industry groups increased over 1940. Contract construction industries, on the average, employed half again as many workers as in 1940. This large increase was caused primarily by Federal expenditures for the construction of military and housing projects, as well as increases in privately financed expansion of plant facilities. Of the remaining industry divisions, trade and service both increased approximately 10 percent over 1940 as a result of increased consumer purchasing power, and the transportation and public utilities division rose 7 percent. The 5-percent increase in mining and quarrying reflected increased demands for basic materials. Industries in the finance, insurance, and real estate division, for the most part, reported moderate gains.

Table 1.—Monthly employment <sup>1</sup> of workers covered by State unemployment compensation laws, by industry division, 1941

Industry division	Average monthly employment		January	February	March	April	May	June	July	August	September	October	November	December
	Number	Percent of total												
Total.....	26,814.8	100.0	24,561.7	24,755.4	25,348.4	25,730.4	26,487.8	27,065.2	27,550.8	28,073.8	28,310.3	28,092.8	28,044.3	27,757.2
Mining.....	951.2	3.5	936.3	930.8	943.9	715.8	934.5	955.8	984.3	1,001.9	1,010.5	1,004.0	996.6	1,000.2
Construction.....	1,605.0	6.0	1,410.6	1,375.7	1,345.0	1,461.7	1,553.9	1,618.0	1,776.6	1,829.9	1,847.0	1,786.7	1,698.8	1,556.4
Manufacturing.....	12,993.0	48.5	11,671.1	11,909.7	12,224.6	12,475.3	12,755.1	13,128.8	13,388.1	13,681.8	13,796.6	13,747.6	13,695.6	13,442.2
Transportation, communication, and other public utilities.....	1,794.5	6.7	1,690.5	1,693.6	1,723.9	1,756.9	1,788.9	1,814.6	1,840.2	1,853.5	1,861.7	1,852.7	1,828.0	1,829.1
Wholesale and retail trade.....	6,226.4	23.2	5,775.7	5,763.3	5,972.7	6,093.5	6,177.2	6,247.0	6,230.6	6,362.9	6,446.8	6,404.7	6,561.4	6,681.5
Finance, insurance, and real estate.....	1,175.4	4.4	1,147.6	1,143.8	1,153.9	1,170.9	1,177.9	1,189.9	1,200.4	1,200.4	1,191.5	1,182.1	1,172.9	1,173.1
Service.....	1,991.4	7.4	1,866.4	1,876.3	1,919.2	1,980.6	2,024.1	2,036.5	2,051.4	2,061.4	2,065.7	2,023.0	2,000.8	1,991.4
Miscellaneous <sup>2</sup> .....	77.9	.3	63.5	62.2	65.2	75.7	76.2	74.6	79.2	82.0	90.5	92.0	90.2	83.3

<sup>1</sup> Number of covered workers on pay roll during last pay period ending within each month.

<sup>2</sup> Includes agriculture, forestry, and fishery, and establishments not elsewhere classified.



Every State shared in the increased employment in 1941; the largest gains were in States where defense activities stimulated manufacturing and/or construction expansion. Six States—New York, Pennsylvania, California, Ohio, Illinois, and Michigan—alone accounted for 45 percent of the total increase in covered employment. In 17 States the 1941 average monthly employment was more than 20 percent above the 1940 average, and in only 8 was the increase less than 10 percent.

The impact of the defense program in 1941 had begun to modify slightly the geographical distribution of covered employment. The following tabulation indicates that the increased employment in shipbuilding and aircraft centers raised the proportion of all covered workers employed in the States comprising the Southeast, Gulf, and Pacific Coast regions and lowered that in the Middle Atlantic, North Central, and Rocky Mountain States. The States comprising the Middle Atlantic and Great Lakes regions still continued to employ approximately three-fifths of all covered workers.

Region	Percentage distribution of average monthly employment	
	1940	1941
Total.....	100.0	100.0
New England.....	9.1	9.2
Middle Atlantic.....	32.9	31.9
Great Lakes.....	25.0	25.1
Southeast.....	8.6	8.9
Gulf.....	5.9	6.1
South Central.....	4.5	4.6
North Central.....	3.4	3.1
Rocky Mountain.....	2.2	2.1
Pacific Coast.....	8.1	8.6
Alaska and Hawaii.....	.3	.4

## Wages

The record total of more than \$42 billion paid in wages and salaries to covered workers represented increases of \$10 billion above the 1940 total and \$13 billion over that for 1939. From 1940 to 1941 the sharper relative gain in wages (30 percent) as compared with the increase in average monthly employment (16 percent) was due to more continuous employment, to the increase in the workweek itself with resultant overtime payments, and to generally higher wage rates. The Bureau of Labor Statistics indicates that the number of hours actually worked per week by wage earners in all manufacturing industries (which comprise more than half of covered employment) increased from an average of 38.1 in 1940 to 40.6 in 1941. By the end of the year, the scheduled workweek in most establishments was at least 44 hours, and in many war establishments, more than 48 hours per week.

In almost all major industry groups total wages in 1941 represented increases over 1940. The construction industry division reported the largest relative gain—86 percent—as a result of a 144-percent increase in wages paid by general contractors engaged in building construction. The increase of \$6.1 billion in total wages paid in all manufacturing establishments represented more than 60 percent of the total increase in wages paid in all covered employment. The largest gains in manufacturing were reported by transportation equipment, machinery, and iron and steel.

Total wages increased in all States. In only 10 States was the increase less than 20 percent, and in 10, increases exceeded 40 percent. All

Table 2.—Quarterly wages <sup>1</sup> of workers covered by State unemployment compensation laws, by industry division, 1941

[In thousands]

Industry division	Total wages, 1941	Percent of total	January-March	April-June	July-September	October-December
Total.....	\$42,145,453	100.0	\$8,954,521	\$9,993,203	\$10,860,639	\$12,337,090
Mining.....	1,519,389	3.6	340,002	331,420	416,549	431,418
Construction.....	2,697,140	6.4	523,916	607,713	745,820	819,691
Manufacturing.....	21,537,485	51.1	4,430,600	5,114,787	5,581,284	6,410,814
Transportation, communication, and other public utilities.....	2,935,443	7.0	659,759	716,505	759,414	799,765
Wholesale and retail trade.....	8,719,238	20.7	1,910,939	2,071,241	2,166,196	2,570,862
Finance, insurance, and real estate.....	2,113,718	5.0	500,277	513,591	521,248	578,602
Service.....	2,531,719	6.0	572,332	616,081	645,829	697,477
Miscellaneous <sup>2</sup> .....	91,321	.2	16,696	21,865	24,299	28,461

<sup>1</sup> Total wages earned in covered employment for all pay periods ending within quarter.

<sup>2</sup> Includes agriculture, forestry, and fishery, and establishments not elsewhere classified.

these latter increases were due to expansion in manufacturing and/or construction activities.

### ***Nature and Limitations of the Data***

Data concerning monthly employment and quarterly wages are reported by subject employers to their State agencies, which, in turn, submit an annual report to the Social Security Board. The employment figures cover all persons whose wages are subject to taxation for unemployment compensation purposes, and they represent the number of covered workers on the pay roll during the last pay period ending within each month. An employer who reimburses his employees on more than one basis (factory workers paid weekly and office workers semimonthly) reports a figure which is the sum of the number of workers on the last of all types of pay periods ending in the month.

Wages are reported on a quarterly basis, and they include the total amount of compensation paid or payable by the employer to all covered workers during the calendar quarter, even though the entire amount may not be subject to taxation for unemployment compensation purposes. Under most State laws, the cash value of tips, bonuses, meals, and lodging are regarded as taxable wages and included in the employers' reports.

Each place of business is classified on the basis of its principal activity, according to the industrial classification code of the Social Security Board. If a firm conducts different activities at various establishments, separate industry codes are assigned to each establishment.

Since the data refer to covered employment only, they do not include the employment and wages of large sections of the employed labor force which are excluded from coverage by size-of-firm and type-of-employment limitations in State laws. The exclusion of small firms from the State laws excludes 2.5-3 million wage and salary workers in covered industries. All agricultural employment (8-12 million persons) and proprietors, the self-employed, and family workers in nonagricultural employment (4-5 million persons) are excluded from coverage. Among the wage and salary workers in nonagricultural employment excluded from coverage are those employed by Federal, State, and local governments (4.1-4.6 million workers), interstate railroads and allied activities (1.1-1.4 million), and nonprofit religious, charitable, scientific, and educational organizations (approximately 400,000); those in maritime employment (approximately 100,000); and 2-2.3 million domestic workers in private homes.

## **Unemployment Compensation Legislation During 1943**

In 1943 the legislatures of 46 States—all except Kentucky, Louisiana, Mississippi, and Virginia—were in regular session. Through July 1, all but Alaska and Arizona had made changes in their unemployment compensation laws. In addition, Congress recently made a number of changes in the District of Columbia law.

For the most part, legislative action reflected wartime conditions. Taxation and the preservation of the unemployment compensation rights of members of the armed forces were the major concern. Many amendments, however, were confined to technical changes. No bills relating to dependents' benefits were passed, and the District of Columbia law remains the only one providing such benefits. Similarly, Rhode Island remains the only State with a State-wide sickness insurance law.

Two opposing trends developed with respect to taxation. On the one hand, amendments to a

number of laws will result generally in lowering tax rates in those States. The adoption of experience-rating systems in 6 States—the District of Columbia, Idaho, Maine, Maryland, Pennsylvania, and Tennessee—and the lowering or abolition of penalty rates above 2.7 percent in several other States which already had experience-rating provisions in operation will decrease the rate at which these States are adding to their benefit funds. On the other hand, 10 States,<sup>1</sup> recognizing the probability of considerable unemployment in the post-war period and the advantage of increasing the reserves for benefit payments at that time, have adopted provisions designed to raise tax rates for employers whose pay rolls have greatly increased as a result of wartime expansion.

The preservation of previously acquired benefit rights for those who have entered the armed

<sup>1</sup> Alabama, Florida, Illinois, Iowa, Maryland, Minnesota, Missouri, Ohio, Oklahoma, Wisconsin.

forces has gained impetus as the war has continued. At the end of 1942, 42 States had enacted provisions to ensure post-war rights of those discharged from military service. As of July 1, the laws of 6 other States had such provisions. In addition, many States amended existing provisions. Only Alaska, Louisiana, and New Mexico have not adopted such legislation.

Few changes were made in benefit provisions in comparison with 1941, the last year in which most legislatures were in active session. A few States, however, because of the magnitude of their reserve funds or in recognition of the desirability of more liberal benefit provisions in the post-war period, changed their benefit formulas in one or more respects. Changes consisted for the most part of increases in the maximum duration of benefits or in minimum or maximum weekly benefit amounts. A number of States adopted technical amendments, proposed by the Bureau of Employment Security, to further the program for payment of benefits by one State on behalf of another or for similar reciprocal arrangements with Canada in cases in which a worker has moved from one jurisdiction to another.

Few amendments affecting coverage provisions were enacted, although a number of bills were introduced by State unemployment compensation agencies which would have liberalized both benefit and coverage provisions of State laws.

Changes in disqualification provisions in 1943 have tended generally toward greater severity. Labor shortages and wartime employment policies have given impetus to the trend, already evident in 1941, toward the imposition of stricter disqualifications.

*Benefits.*—Changes have been made in one or more features of the benefit formula of 20 States.<sup>2</sup>

The minimum weekly benefit amount has been increased from \$3 to \$5 in New Mexico; from \$5 to \$6 in Vermont; from \$5 to \$7 in Wyoming; from \$6 to \$7 in West Virginia; from \$6 to \$8 in Wisconsin; and from \$7 to \$10 in New York. The maximum weekly benefit amount has been increased from \$15 to \$18 in Delaware, Massachusetts, New Hampshire, and West Virginia; from \$16 to \$18 in Indiana; from \$18 to \$20 in California, the District of Columbia, Illinois (beginning

April 1, 1944), and Wyoming; from \$16 to \$20 in Minnesota; from \$17 to \$20 in Maryland and Wisconsin; and from \$20 to \$22 in Connecticut.

New Hampshire and Vermont have adopted a uniform duration of 18 weeks. Maximum duration has been increased from 14 to 16 weeks in South Dakota and Wyoming; from 16 to 18 weeks in Indiana; from 13 to 20 weeks in Delaware; from 19 to 20 weeks in the District of Columbia; and from 20 to 23 weeks in Maryland. In none of these States, however, is duration uniform for all claimants. All except Delaware and South Dakota limit duration to a fraction of base-period wages. In Delaware, receipt of maximum benefits depends on base-period earnings of \$2,000; and in South Dakota, claimants in the lowest wage classes will not be entitled to a full 16 weeks' benefits.

Michigan made permanent its temporary benefit provisions, put into effect last year to alleviate the situation caused by a high level of unemployment in the State during the conversion of the automobile industry to war production.

Both Pennsylvania and Vermont abandoned the benefit formula based on the claimant's full-time weekly wage and will use a schedule based on high-quarter wages. These two States also changed from an individual base period and benefit year to a calendar-year base period and a uniform benefit year. In Pennsylvania the benefit year begins on June 1, and in Vermont it begins with the first Saturday in April of each year. South Dakota, on the other hand, changed from a uniform base period and benefit year to an individual 4-quarter base period and a benefit year consisting of a 1-year period beginning with the filing of a valid claim. Florida reduced its base period from 8 to 4 quarters. The Indiana individual base period, which had included the lag quarter and the incomplete calendar quarter up to the beginning of the waiting period, was reduced to 4 quarters, and the benefit year will now consist of a 52-week period, without the previous alternative of the period in which the claimant exhausted his maximum benefits.

*Benefit eligibility.*—While liberalizing their benefit provisions, Delaware, Maryland, Vermont, and West Virginia increased the amount of base-period earnings required to qualify for benefits. Wyoming, on the other hand, reduced the amount of base-period earnings but increased from \$50 to \$70 the wages required in 1 quarter. Florida, in

<sup>2</sup> California, Connecticut, Delaware, District of Columbia, Florida, Illinois, Indiana, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, New Mexico, New York, Pennsylvania, South Dakota, Vermont, West Virginia, Wisconsin, Wyoming.



shortening its base period from 8 to 4 quarters, changed its qualifying earnings from \$200, including wages in at least 3 quarters, to 30 times the weekly benefit amount (\$150, with respect to the minimum weekly benefit amount).

The waiting period was reduced to 1 week for the entire benefit year in Connecticut, the District of Columbia, South Dakota, and Washington. One-week waiting periods already conditionally or temporarily in effect in Michigan, New Hampshire, and New Mexico were adopted permanently. The waiting period in Alabama was changed from 3 weeks in the benefit year to 1 week within the 13 weeks preceding any week for which benefits are payable.

*Disqualification.*—The trend toward more severe disqualification provisions was shown by the addition of new disqualifications (particularly a disqualification of women unemployed because of pregnancy or home obligations), increases in the length of the disqualification period, reductions of benefit rights as a further penalty, and the introduction of qualifying phrases which make the imposition of the disqualification more likely. Amendments in 21 States<sup>3</sup> tend to add to the severity of the disqualification provisions in one or more of these respects.

*Coverage.*—Coverage has received less attention than any other provision of unemployment compensation legislation. Hawaii made the only change affecting size of firm by extending coverage from employers of one or more in 20 weeks to employers of one or more at any time. Idaho, Iowa, and New Mexico amended their definitions of agricultural labor to conform substantially with the definition in the Federal Unemployment Tax Act. Minor amendments relating to miscellaneous employment exclusions were adopted in several States.

*Military service.*—Provisions to preserve the benefit rights of persons in the armed forces were added to the laws of Alabama, District of Columbia, Idaho, Texas, West Virginia, and Wyoming. Including these States, more than half of the State legislatures in session in 1943 enacted some legislation relating to the unemployment compensation rights of those in service. Many of the amendments to existing provisions were con-

cerned with postponement of the "cut-off" date, the assumed date by which discharge from service would have taken place, from some date in 1943 to 1945 or later.

A significant amendment in Delaware will grant to previously eligible workers, discharged from military service, automatic credit which will entitle the great majority of them to maximum benefits under the Delaware law. This law is now similar to that of Illinois, Utah, and Washington, which likewise grant automatic credit. All other State legislation of this nature is concerned with the preservation of previously existing rights.

The Washington law is unique in making benefits available to all ex-servicemen with 1 year's residence in the State prior to their military service, whether or not the claimant has ever been in covered employment, and in establishing special funds to take care of the extra cost of this program.

*Experience rating.*—Six States—the District of Columbia, Idaho, Maine, Maryland, Pennsylvania, and Tennessee—added experience-rating provisions to their laws. In Pennsylvania, new rates will go into effect January 1944; in Tennessee, July 1944; and in Nevada, January 1945. In the other States they are already effective.

In the District of Columbia, Idaho, Maine, and Tennessee, systems are of the reserve-ratio type. In Maryland a ratio of total benefits to total pay rolls for a 3-year period, and in Pennsylvania a ratio of benefit wages to total wages for a 3-year period, are used as the measure of the employer's experience. The Tennessee law, which provides for a maximum rate of 3.3 percent, is the only one to include a rate above the standard 2.7 percent.

The tendency to lower or abolish the penalty rates while maintaining rates lower than 2.7 percent under experience-rating systems was continued this year by amendments to 5 State laws. Delaware reduced the maximum rate from 4 to 3 percent, while Arkansas and Texas reduced the maximum from 4 to 2.7 percent. Indiana and Oklahoma postponed assignment of rates above 2.7 percent until January 1945.

*War-risk contributions.*—Ten States<sup>4</sup> have adopted higher tax rates for employers whose pay rolls have increased greatly because of war-

<sup>3</sup> Alabama, Arkansas, Connecticut, Delaware, District of Columbia, Florida, Hawaii, Indiana, Maryland, Michigan, Minnesota, Montana, Nevada, New Hampshire, North Carolina, Ohio, Pennsylvania, South Dakota, Texas, Washington, West Virginia.

<sup>4</sup> Alabama, Florida, Illinois, Iowa, Maryland, Minnesota, Missouri, Ohio, Oklahoma, Wisconsin.

time expansion. These rates are now in effect for third-quarter pay rolls in all 10 States.

These States establish the pay roll of a specific past period—a pre-war period in all except Alabama, Ohio, and Oklahoma—as the measure by which expansion is to be gauged. Illinois, Iowa, Maryland, Minnesota, and Wisconsin use the 1940 pay roll as the base. Illinois, Iowa, and Minnesota apply the higher tax to a pay roll (annual pay roll exceeding \$100,000 in Illinois and equaling \$30,000 in Iowa; quarterly pay roll exceeding \$50,000 in Minnesota) which has increased 100 percent over the 1940 pay roll. Rates range in a schedule up to 5 percent in Iowa, while Minnesota uses a flat 3-percent rate. In both States, increased rates apply only to amounts above the 100-percent increase. In Illinois the special rates apply to pay rolls in excess of \$100,000 per year (\$50,000 for the last 6 months of 1943) if such pay rolls exceed the employer's 1940 pay roll by more than 100 percent. The rate is 2 percent for an increase of more than 100 percent but less than 150 percent and 2.7 percent for an increase of 150 percent or more. If a higher rate has been determined under experience rating, however, the higher rate shall apply. Wisconsin rates range up to 5 percent (with a 4-percent limit for 1943) and apply to the whole of an annual pay roll equaling \$30,000 which has increased 50 percent above the 1940 pay roll. The Maryland law merely assures to the fund a 2.7-percent rate for the fiscal year from an employer whose preceding calendar year's pay roll exceeded 150 percent of his 1940 pay roll.

The Oklahoma law similarly provides for a 2.7-percent rate to apply to any portion of the employer's annual taxable pay roll in excess of

300 percent of the lowest of the annual taxable pay rolls for any of the 3 years preceding the current year.

In Missouri a rate of 3.6 percent is required on that portion of an employer's pay roll which exceeds by 50 percent his average annual pay roll for 1939-41. A special credit of \$100 is given annually, however, to the employer against the increased contributions.

The Ohio law provides that an increased rate shall apply to an employer whose reserve ratio is less than 9 percent and whose most recent annual pay roll exceeds by 50 percent the average annual pay roll used to compute his first modified rate under experience rating.

Alabama applies a rate of 2.7 percent to an employer's "excess wages," defined as that part of an employer's pay roll for the 12-month period beginning April 1 which is more than \$100,000 and which exceeds the greater of (1) his average pay rolls for the last 4 calendar years or (2) 200 percent of his average pay rolls for the first 2 of the last 4 calendar years.

The Florida law is unique in that it attempts to ensure to the reserve fund \$65 for every insured worker. If the fund does not contain this amount, experience rates may apply only to that part of the employer's pay roll not in excess of 200 percent of his 1939 pay roll. On any excess amount his rate is 2.7 percent.

Special provision is made in the laws of Florida, Iowa, Minnesota, Missouri, Ohio, and Wisconsin for higher rates for employers who had no pay roll during the period used as a measure of expansion. The Wisconsin law also imposes an additional tax of 0.5 percent on all employers for a "post-war reserve" fund.

# Employment Service Operations\*

## Placement Activities

Nonagricultural placements made by the USES rose 22 percent in June, to a total of 862,000. This total—the largest recorded since 1935—is 34 percent above that of a year ago and nearly three times the June 1940 level. All but 7 States shared in the May-June rise, and all but 14 reported increases over the totals for June 1942. Nearly 8 percent of the June placements were short-time—for 3 days or less.

Placements in manufacturing industries have accounted for an increasing proportion of total placements over the past 10 months; they were 42 percent of the total in September 1942, and 62 percent this June. There has been very little change in the distribution of placements by occupation in this period; placements in unskilled occupations have comprised from 48 to 52 percent of the total. The relative numbers of women and nonwhite workers placed in June declined slightly. The 310,000 placements of women comprised 36 percent of the total, as compared with 259,000 and 36.6 percent in May. Although placements of nonwhite workers increased 10.7 percent, they amounted to only 15.1 percent of the total, as against 16.6 percent in May.

According to estimates of the Bureau of the Census, the civilian labor force rose to 54.6 million in June, when the closing of schools caused large numbers of students to look for jobs. Total em-

ployment rose from 52.1 million in May to 53.4 million, and unemployment from 900,000 to 1.2 million, as a result of the entrance of about 2 million students to the labor force. Most of the increase in employment occurred on farms, and the increase in nonfarm employment was limited entirely to women. Farm employment on July 1 set a record low for the date, according to the Department of Agriculture. Any comparison of the total number of farm workers is likely to be misleading because of the change that has occurred in the composition of the farm labor force. With family workers, students, and townspeople now doing the work formerly done by skilled farm hands, the potential productivity of the labor force is much less than the total employment figures would indicate. It is obvious that available labor will have to work longer hours and more days a week to produce the record crop expected this year.

Public Law 45, signed on April 29, gave the Administrator of Food Production and Distribution the responsibility for the placement of agricultural workers. In general, the USES will no longer make agricultural placements. The Extension Service of the Department of Agriculture will, however, use the facilities of some of the local employment offices and will allocate sufficient funds for the use of facilities and personnel. The contracts between the Employment Service and the Extension Service vary among and within the States.

**Table 1.—Nonagricultural placements in the continental United States, by industry division and major occupational group, June 1943**

[Corrected to July 31, 1943]

Industry division	Total, all occupations				Profes- sional and man- agerial	Clerical and sales	Service	Skilled	Semi- skilled	Unskilled and other
	Number	Percentage change from May 1943	Women	Non- white						
Total.....	861, 623	+21. 7	310, 367	130, 372	10, 293	72, 503	92, 305	108, 424	133, 619	444, 479
Forestry and fishing.....	899	+120. 9	163	64	22	5	86	10	61	708
Mining.....	7, 602	+24. 4	186	465	31	134	95	2, 346	986	4, 010
Construction.....	89, 402	+11. 2	2, 408	18, 246	371	2, 401	1, 397	23, 227	8, 493	53, 513
Manufacturing.....	530, 623	+28. 2	198, 485	51, 938	5, 861	32, 766	11, 512	66, 903	102, 829	310, 752
Transportation, communication, and other public utilities.....	30, 916	+14. 4	5, 456	4, 426	223	4, 707	1, 365	2, 411	3, 371	18, 839
Wholesale and retail trade.....	45, 646	+12. 5	18, 865	7, 603	418	11, 165	12, 722	1, 310	3, 769	16, 262
Finance, insurance, and real estate.....	3, 664	+1. 8	1, 985	610	48	1, 671	1, 282	120	130	413
Service.....	81, 192	+2. 9	53, 340	37, 877	2, 097	4, 635	57, 509	3, 009	4, 157	9, 785
Government.....	71, 145	+25. 7	29, 353	9, 105	1, 219	14, 925	6, 302	9, 006	9, 744	29, 949
Establishments not elsewhere classified.....	534	+71. 7	126	38	3	94	35	73	79	250



**Table 2.—Nonagricultural placements in the continental United States, June and January-June 1943, and applications received in public employment offices, June 1943, by State**

[Corrected to July 31, 1943]

War Manpower Commission region and State	Nonagricultural placements												Applications received, June 1943	
	June 1943										January-June 1943			
	Number	Percentage change from—		Short-time		Women			Nonwhite			Number		Percentage change from January-June 1942
		May 1943	June 1942	Number	Percent of total	Number	Percentage change from May 1943	Percent of total	Number	Percentage change from May 1943	Percent of total			
Total.....	861,623	+21.7	+34.2	66,451	7.7	310,367	+19.7	36.0	130,372	+10.7	15.1	4,283,692	+39.2	1,325,234
Region I:														
Connecticut.....	10,861	+17.4	+13.4	257	2.4	4,537	+21.4	41.8	982	+11.2	9.0	57,061	+3.4	20,841
Maine.....	7,299	+47.6	+27.7	39	.5	2,665	+18.3	36.5	65	+20.4	.9	33,477	+25.8	14,558
Massachusetts.....	22,732	+12.5	+103.0	272	1.2	10,225	+10.7	45.0	534	-8.4	2.3	122,060	+97.6	56,707
New Hampshire.....	2,181	+2.1	+9.4	42	1.9	935	+4	42.9	19	( <sup>1</sup> )	.9	11,380	+3	3,513
Rhode Island.....	3,621	+21.6	+22.3	24	.7	1,545	+14.3	42.7	60	-26.8	1.7	27,496	+68.6	11,116
Vermont.....	739	+18.2	+18.1	43	5.8	335	+37.9	45.3	2	( <sup>1</sup> )	.3	3,682	-17.1	1,499
Region II:														
New York.....	72,136	+13.2	+15.8	23,924	33.2	36,678	+2.7	50.8	25,194	+1.2	34.9	422,217	+21.8	135,441
Region III:														
Delaware.....	1,992	+2.2	+3.5	0	0	691	+27.5	34.7	414	+13.4	20.8	10,303	+20.1	2,913
New Jersey.....	29,990	+14.4	+109.4	3,418	11.4	10,279	+8.5	34.3	5,932	+26.7	19.8	142,582	+50.6	44,318
Pennsylvania.....	39,162	+21.7	+32.2	1,585	4.0	15,173	+20.7	38.7	4,612	+3.9	11.8	200,080	+33.8	99,663
Region IV:														
District of Columbia.....	2,859	+4	-54.3	924	32.3	1,907	+9.8	66.7	2,104	+1.0	73.6	19,956	-45.0	5,229
Maryland.....	17,007	+47.6	+111.2	109	.6	8,078	+73.2	47.5	4,311	+3.6	25.3	79,367	+80.4	33,128
North Carolina.....	14,845	+17.0	-31.3	475	3.2	4,962	+9.6	33.4	5,329	+20.6	35.9	86,169	-10.6	15,840
Virginia.....	9,015	+22.6	+27.5	99	1.1	3,048	+13.1	33.8	3,223	+7.8	35.8	43,728	-10.1	21,088
West Virginia.....	7,317	+31.0	+58.2	318	4.3	2,028	+8.0	27.7	673	+7.5	9.2	34,934	+61.1	14,184
Region V:														
Kentucky.....	12,458	-9	-23.3	312	2.5	2,835	+6	22.8	2,533	+19.0	20.3	64,014	+52.5	25,554
Michigan.....	35,911	+31.5	+89.5	597	1.7	15,562	+46.7	43.3	3,358	+18.5	9.4	159,188	+72.1	30,046
Ohio.....	61,851	+20.1	+64.6	7,807	12.6	24,635	+18.1	39.8	8,911	-2.8	14.4	306,216	+66.2	96,710
Region VI:														
Illinois.....	29,712	+27.7	+20.7	899	3.0	11,061	+23.0	37.2	2,960	-1.2	10.0	140,566	+6.8	71,075
Indiana.....	26,857	+33.1	+98.2	460	1.7	10,007	+11.7	37.3	2,585	+84.8	9.6	119,748	+49.2	52,445
Wisconsin.....	22,313	+95.0	+48.7	1,816	8.1	8,344	+84.1	37.4	218	+13.0	1.0	86,523	+34.0	30,435
Region VII:														
Alabama.....	20,161	+23.5	+281.3	53	.3	5,506	+4	27.3	4,655	+37.2	23.1	86,519	+109.0	31,509
Florida.....	23,952	+26.4	+130.8	316	1.3	5,232	+22.3	21.8	5,675	+42.7	23.7	93,585	+109.1	37,971
Georgia.....	24,211	+12.2	+213.1	123	.5	7,136	+13.3	29.5	5,574	-3	23.0	88,798	+102.1	20,958
Mississippi.....	11,261	+30.2	-6.8	50	.4	3,133	+17.7	27.8	3,887	+22.7	34.5	54,134	+55.8	19,512
South Carolina.....	7,716	+30.4	+19.4	323	4.2	2,842	+25.8	36.8	2,096	-1	27.2	29,477	-16.7	13,510
Tennessee.....	17,753	+51.4	+122.2	337	1.9	5,005	+10.5	28.2	3,934	+37.1	22.2	63,025	+51.8	22,918
Region VIII:														
Iowa.....	11,577	+31.7	+50.9	591	5.1	4,493	+61.3	38.8	177	-11.5	1.5	46,559	+24.1	20,265
Minnesota.....	16,479	+31.4	+53.4	1,761	10.7	4,683	+40.5	28.4	156	-6	.9	74,295	+81.6	30,244
Nebraska.....	5,352	-3.4	-51.0	250	4.7	1,284	+9.6	24.0	176	-30.2	3.3	38,986	+32.1	10,166
North Dakota.....	2,418	+70.0	+8.4	580	24.0	892	+85.4	36.9	31	( <sup>1</sup> )	1.3	10,133	+10.0	4,198
South Dakota.....	2,215	+47.1	-55.3	215	9.7	450	+19.4	20.3	191	+50.4	8.6	8,951	-23.1	4,568
Region IX:														
Arkansas.....	9,327	-1.4	-41.6	579	6.2	2,434	-12.9	26.1	2,871	-5	30.8	58,176	-14.2	12,688
Kansas.....	13,508	+23.5	+39.9	874	6.5	3,902	+57.8	28.9	1,140	+58.8	8.4	82,589	+70.9	13,129
Missouri.....	30,930	+33.9	+26.8	1,101	3.6	13,239	+38.8	42.8	4,546	+19.9	14.7	147,211	+53.3	58,931
Oklahoma.....	9,696	+49.7	+44.4	1,125	11.6	3,043	+63.7	31.4	1,484	+42.4	15.3	46,472	+40.6	10,867
Region X:														
Louisiana.....	5,590	+11.0	-5.6	536	9.6	1,887	+9.6	33.8	1,955	-14.3	35.0	32,943	-5.5	18,537
New Mexico.....	2,221	+44.8	-32.4	39	1.8	486	+18.8	21.9	29	( <sup>1</sup> )	1.3	12,502	-9.5	1,858
Texas.....	43,064	+21.2	-15.2	1,887	4.4	14,016	+16.8	32.5	9,607	+9.8	22.3	257,392	+5.5	46,336
Region XI:														
Colorado.....	6,671	+62.0	-5.0	577	8.6	1,658	+47.9	24.9	51	( <sup>1</sup> )	.8	30,243	+10.4	13,741
Idaho.....	2,951	-1.6	-40.1	370	12.5	492	-11.2	16.7	89	-54.4	3.0	18,923	+28.7	3,371
Montana.....	2,077	-6.3	-33.8	223	10.7	429	+25.1	20.7	31	( <sup>1</sup> )	1.5	10,946	+8.0	2,958
Utah.....	6,604	-19.7	+59.7	32	.5	1,507	-13.9	22.8	194	+55.2	2.9	55,858	+225.6	7,080
Wyoming.....	1,623	+20.7	-33.3	149	9.2	251	+28.7	15.5	13	( <sup>1</sup> )	.8	8,950	+32.8	1,690
Region XII:														
Arizona.....	4,136	+5.1	+46.0	179	4.3	1,281	+28.1	31.0	613	+3.2	14.8	24,821	+39.9	6,446
California.....	84,943	+10.0	+29.0	4,985	5.9	32,191	+17.9	37.9	5,904	+9.9	7.0	460,477	+47.1	96,166
Nevada.....	3,760	-3.3	+4.6	436	11.6	586	+1.4	15.6	492	+19.1	13.1	21,818	+54.7	870
Oregon.....	25,189	+13.9	+105.8	1,392	5.5	7,388	+11.8	29.3	332	+53.0	1.3	117,945	+120.0	23,510
Washington.....	35,380	+34.7	+85.2	3,948	11.2	9,391	+33.4	26.5	450	+28.2	1.3	131,127	+71.2	4,934

<sup>1</sup> Not computed, because fewer than 50 placements of nonwhite workers were made in 1 or both periods.

## Railroad Unemployment Insurance, 1942-43\*

The continued adjustment of the national economy to conditions of total warfare was the dominant factor influencing railroad unemployment insurance operations in the benefit year ended June 30, 1943. Longer hauls and the heavier weight of war matériel raised ton-miles of freight traffic 26 percent above the preceding year, although the average increase in industrial production was only 16 percent. Troop movements and movements of members of the armed forces on furlough played a large part in the increase of nearly 90 percent in passenger miles traveled.

**Table 1.—Railroad unemployment insurance: Summary of operations for the benefit years 1939-40—1942-43**

Item	1939-40	1940-41	1941-42	1942-43
Number of employees eligible for benefits.....	1,284,084	1,357,465	1,403,258	1,630,193
Applications received <sup>1</sup> .....	210,823	181,157	90,151	21,640
Claims received.....	1,441,213	1,257,822	517,394	100,826
Number of payments certified.....	1,000,684	999,505	448,226	79,397
Amount of payments certified.....	\$14,811,065	\$17,699,236	\$8,890,442	\$1,756,106
Beneficiaries <sup>1</sup> .....	162,704	161,925	74,150	15,399
Accounts exhausted <sup>1</sup> .....	29,298	25,356	10,417	1,438

<sup>1</sup> Current benefit year only; data as of close of benefit year.

Under these conditions, the amount of unemployment insurance benefits dropped precipitously from \$8.9 million in 1941-42 to \$1.8 million in 1942-43 (table 1). Some 15,400 workers received benefits for unemployment experienced during the year, in contrast to 74,150 in the preceding year and 162,000 in 1940-41. The numbers of claims and payments decreased more than 80 percent from 1941-42 and 92 percent from 1940-41.

On class I railroads, employment increased from 1,293,000 in mid-June 1942 to 1,382,000 a year later. The average employment for the year, however, increased much more sharply because of the absence of a large part of the usual fall and winter lay-offs of maintenance-of-way workers. Because of labor shortages, the railroads were unable to expand their maintenance forces to as high a level as desired in the summer of 1942 and retained as large a staff as possible during the winter in order to have workers on hand for the 1943 season. Most of the maintenance-of-way workers who were laid off were reemployed almost

immediately in other departments of the same road or by other roads on which labor shortages existed. Some workers moved temporarily from areas where seasonal unemployment is usual to localities where their services were needed.

The reduction of benefit payments was retarded somewhat by the increase in the number of workers qualified for benefits. Eligibility for benefits in 1942-43 was based on 1941, a year of greater employment and higher earnings than 1940, the base year for 1941-42. Consequently, the number of workers eligible for benefits increased from 1.4 million in 1941-42 to 1.6 million in 1942-43. Almost two-thirds of the increase represented workers eligible for the highest benefit rate of \$4 per compensable day of unemployment. These changes in the number of qualified workers affected mainly the size of the average payment, since increased employment opportunities were more than sufficient to offset the numerical increase of eligible workers.

### Beneficiaries

*Applications for certificate of benefit rights.*—Applications were filed by 21,600 workers as compared with 90,200 in 1941-42 (table 2). Certificates were issued to all but 900 of the applicants; about half of the latter were not qualified because of insufficient earnings in the base year;

**Table 2.—Railroad unemployment insurance: Applications for certificate of benefit rights received, accounts opened and accounts exhausted, by month, 1942-43 and 1941-42<sup>1</sup>**

Month	1942-43			1941-42		
	Applications received	Accounts opened	Accounts exhausted	Applications received	Accounts opened	Accounts exhausted
Total	21,640	15,399	1,438	90,151	74,150	10,417
1942						
July.....	6,466	2,478	.....	17,588	8,499	.....
August.....	3,213	3,299	.....	5,720	6,746	.....
September.....	1,865	1,563	.....	4,316	3,887	.....
October.....	1,293	1,187	.....	5,536	3,945	.....
November.....	1,303	848	27	11,149	5,356	69
December.....	3,027	1,631	492	21,898	15,636	2,922
1943						
January.....	1,873	2,053	246	12,824	16,799	1,187
February.....	772	913	181	4,584	6,170	890
March.....	600	515	158	2,656	3,346	1,324
April.....	426	405	152	1,547	1,807	2,146
May.....	380	290	104	1,204	988	1,207
June.....	422	217	78	1,129	971	672

<sup>1</sup> Covers current benefit year unemployment only.

\*Prepared by the Office of Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

300 additional applications were canceled; and adjudication of the remainder was pending at the end of the year.

*Accounts opened.*—Benefits for unemployment experienced during the year were paid to 15,400 of the 20,700 workers to whom certificates were issued. In addition, 650 accounts were opened for workers who had filed claims for unemployment which began during 1941-42 though payment was made after June 30, 1942. Proportionately, the number of workers who received certificates of benefit rights but no benefits was larger in 1942-43 than in the preceding year, primarily because many of the claimants who received certificates did not experience sufficient unemployment to obtain benefits.

*Accounts exhausted.*—The Railroad Unemployment Insurance Act as amended provides for maximum compensation equal to 100 times the beneficiary's daily benefit rate. Since benefits are paid for all days of unemployment in excess of 7 in the initial period and for all in excess of 4 in subsequent periods, payments may cover almost 5 months of continuous unemployment. November is the first month of the benefit year in which current accounts can be exhausted; 27 of the 1,440 beneficiaries who exhausted their accounts in 1942-43 did so in that month. The largest number of exhaustions in any month of the year—490—occurred in December. The number decreased every month thereafter and was only 78 in June.

As might be expected from the general decrease in unemployment insurance operations, the reduction in the number exhausting benefit accounts was sharper than the decrease in the number of beneficiaries. Through June 30, the exhaustion rate per 100 beneficiaries decreased from 14 in 1941-42 to 9 in 1942-43.

### Claims and Benefit Payments

*Claims.*—Unemployed railroad workers filed 101,000 claims for benefits (table 3), and some 900 additional claims were carried over from the preceding year. About 79,400 claims were certified for payment and about 200 were pending at the end of the year. Nearly half the 22,100 claims for which no benefits were paid were claims involving too few days of unemployment for the claimant to receive compensation. Most of the remaining 10,800 noncompensable claims were

**Table 3.—Railroad unemployment insurance: Unemployment insurance claims and payments, by month, 1942-43 and 1941-42**

Month	1942-43			1941-42		
	Claims	Benefit payments <sup>1</sup>		Claims	Benefit payments <sup>1</sup>	
		Number	Amount		Number	Amount
Total...	100,826	79,397	\$1,756,106	517,394	448,226	\$8,890,442
1942						
July.....	11,134	7,263	148,236	28,267	20,211	354,582
August.....	12,407	10,268	218,762	33,169	26,187	650,254
September.....	11,566	9,265	204,345	31,338	27,857	611,509
October.....	10,913	8,642	187,823	33,387	29,031	630,655
November.....	8,673	6,969	153,474	36,505	29,197	611,830
December.....	9,816	7,355	151,625	61,043	50,845	926,460
1943						
January.....	10,914	8,898	200,030	83,122	73,511	1,397,106
February.....	8,310	6,936	157,914	70,723	65,564	1,328,175
March.....	7,184	5,854	139,704	66,561	62,457	1,250,573
April.....	5,010	4,170	103,911	42,542	37,440	691,320
May.....	2,795	2,201	51,548	18,469	15,705	316,590
June.....	2,104	1,556	38,725	12,258	10,251	221,386

<sup>1</sup> Net figures, adjusted for underpayments and recovery of overpayments.

denied, primarily because the claimants were not available for work. The proportion of non-compensable claims increased from 13 percent of the total in 1941-42 to 22 percent in 1942-43.

Although claim receipts are usually heaviest in the winter months, in 1942-43 the largest numbers were received in July-September; the monthly peak—12,400—was in August. In each month of the benefit year 1942-43, the number of claims received was at least 60 percent below the levels of corresponding months of 1941-42 and beginning with December the decrease each month was greater than 80 percent compared with the corresponding month of the preceding year. In June, when only 2,100 claims were received, the difference amounted to 83 percent.

*Certifications.*—The number and amount of payments in 1942-43 were 18 percent and 20 percent, respectively, of the 1941-42 totals. The average payment of \$22 was more than \$2 higher than the preceding year's average. The smaller proportion of the low-paid laboring groups, such as track workers, who experienced unemployment during the year, was the most important factor in this rise as their benefit rates tend to be lower than that of other workers.

*Occupation and age.*—It is usually the less skilled and laboring groups that experience the most unemployment. Relatively, however, their position was better in 1942-43 than a year earlier. Only



42 percent of the total number of certifications went to the laboring groups—compared with about 62 percent in the preceding year. Retention of maintenance-of-way workers by the railroads during the winter months and a less sharp reduction of unemployment among junior trainmen were the primary reasons for this change.

Younger workers found it relatively easy to obtain other employment when they were laid off; moreover, they were less attached to the industry by habit and seniority rights. In 1942-43, only 28 percent of the payments were made to workers in the ages 25-40 years, as compared with 42 percent a year earlier. The largest number of payments—42 percent—went to workers in the ages 45-60.

**Certification averages.**—Of the 74,900 payments made for unemployment experienced during the year, about 15,100 were for initial and 59,800 for subsequent periods of unemployment. There were 3.9 subsequent certifications for each initial one in 1942-43, while in 1941-42 the ratio was 5.0 to 1. In other words, the average compensable unemployment per beneficiary was about 18 percent less in 1942-43.

**Table 4.—Railroad unemployment insurance: Number of benefit certifications, average benefit, and average number of compensable days for certifications of benefit year 1942-43, by month<sup>1</sup>**

Type of certification and period	All certifications				Certifications with 14 days of unemployment			Certifications with 8-13 days of unemployment				Certifications with 5-7 days of unemployment			
	Number	Average payment	Average daily benefit	Average number of compensable days <sup>2</sup>	Percent of all certifications	Average payment	Average daily benefit	Percent of all certifications	Average payment	Average daily benefit	Average number of compensable days <sup>2</sup>	Percent of all certifications	Average payment	Average daily benefit	Average number of compensable days <sup>2</sup>
<b>Certifications for first registration period:</b>															
July 1942.....	2,457	\$16.59	\$2.82	5.88	66.7	\$19.95	\$2.85	33.3	\$9.87	\$2.82	3.65				
August.....	3,262	16.23	2.80	5.80	64.6	19.56	2.79	35.4	10.16	2.82	3.60				
September.....	1,557	15.25	2.70	5.66	62.0	18.63	2.66	38.0	9.75	2.81	3.47				
October.....	1,146	17.09	2.92	5.84	64.9	20.73	2.96	35.1	10.35	2.80	3.69				
November.....	819	16.71	2.88	5.80	66.2	20.21	2.89	33.8	9.85	2.85	3.46				
December.....	1,584	17.30	2.82	6.14	75.1	19.61	2.80	24.9	10.32	2.89	3.57				
January 1943.....	2,016	17.42	2.87	6.07	72.4	20.07	2.87	27.6	10.45	2.88	3.63				
February.....	899	17.46	2.90	6.02	70.0	20.47	2.93	30.0	10.47	2.80	3.74				
March.....	511	19.45	3.19	6.10	71.2	22.64	3.23	28.8	11.55	2.99	3.86				
April.....	402	20.26	3.32	6.10	71.9	23.24	3.32	28.1	12.84	3.31	3.88				
May.....	285	20.53	3.50	5.86	65.6	24.64	3.52	34.4	12.70	3.44	3.69				
June.....	218	21.51	3.57	6.03	70.6	25.10	3.59	29.4	12.87	3.48	3.71				
<b>Certifications for subsequent registration periods:</b>															
July 1942.....	351	25.16	2.77	9.08	77.2	27.77	2.78	19.7	17.98	2.74	6.57	3.1	\$6.00	\$2.75	2.18
August.....	6,716	24.02	2.80	8.57	69.0	28.00	2.80	23.0	18.50	2.80	6.61	8.0	5.66	2.76	2.05
September.....	7,680	23.36	2.76	8.45	65.7	27.82	2.78	26.1	17.76	2.69	6.59	8.2	5.44	2.73	1.99
October.....	7,452	22.57	2.77	8.15	59.4	28.09	2.81	29.9	17.53	2.64	6.63	10.7	5.99	2.87	2.09
November.....	6,161	23.06	2.78	8.30	61.6	28.27	2.83	28.5	17.88	2.64	6.77	9.9	5.56	2.73	2.03
December.....	5,798	21.81	2.76	7.91	57.4	27.86	2.79	28.7	17.17	2.66	6.44	13.9	6.27	2.74	2.29
January 1943.....	6,964	23.80	2.83	8.40	67.0	28.74	2.87	22.7	17.38	2.68	6.49	10.3	5.86	2.68	2.19
February.....	6,066	23.71	2.78	8.53	66.7	28.10	2.81	25.1	17.90	2.69	6.65	8.2	5.87	2.76	2.13
March.....	5,445	24.30	2.89	8.41	65.3	29.19	2.92	25.3	18.44	2.80	6.59	9.4	6.24	2.86	2.18
April.....	3,860	25.15	3.08	8.28	61.5	31.33	3.13	26.6	19.37	2.95	6.57	11.9	6.00	2.76	2.18
May.....	1,977	24.36	3.17	7.68	52.1	32.29	3.23	33.5	19.77	3.08	6.42	14.4	6.37	3.10	2.05
June.....	1,383	26.04	3.35	7.77	56.4	34.49	3.45	25.6	21.36	3.22	6.64	18.1	6.38	2.91	2.20

<sup>1</sup> Data based on 33.3-percent sample, except number of certifications and average benefit per certification; all averages for first registration periods for April, May, and June are based on complete tabulations.

The smaller proportion of laborers receiving benefits and the higher level of earnings in the base year caused the average payments for initial periods of unemployment (\$16.99) to be \$2.33 more than in the preceding year and the average for subsequent payments (\$23.55) to be \$2.56 higher.

### Employment Service Operations

Openings, orders, referrals, and placements in 1942-43 were more than three times those in 1941-42.

Benefit year	Orders	Openings	Referrals	Placements
1940-41 <sup>1</sup> .....	( <sup>2</sup> )	25,450	30,931	10,773
1941-42.....	9,256	91,270	105,883	59,229
1942-43.....	30,039	288,100	337,091	196,565

<sup>1</sup> Nation-wide operations began in October 1940.

<sup>2</sup> Not available.

The important factors contributing to the rise included a larger volume of work to be performed; entry of railroad workers into the armed services; labor turn-over; expansion of the employment service organization; relaxed requirements as to race, national origin, sex, age, and

Table 5.—Railroad unemployment insurance: Employment service placements, by occupational group and by month, 1942-43

Occupational group	Total	July	August	September	October	November	December	January	February	March	April	May	June
Total.....	196,565	15,628	12,922	11,315	9,404	8,097	15,493	15,706	15,805	19,179	17,873	18,493	36,650
Office workers.....	8,337	194	219	291	338	345	607	1,082	637	1,044	1,051	1,167	1,362
Train-and-engine service.....	13,834	187	179	474	615	734	958	1,737	1,603	1,982	1,824	1,552	1,989
Skilled mechanics.....	6,341	154	175	183	247	262	481	556	506	776	897	956	1,146
Helpers and apprentices.....	9,659	265	281	258	395	366	598	786	1,001	1,205	1,449	1,261	1,794
Laborers.....	149,363	13,954	11,650	9,587	7,626	6,201	12,484	10,982	10,236	13,301	11,668	12,550	29,124
Maintenance of way and structures.....	107,972	13,602	11,022	8,211	6,542	4,814	4,838	6,885	5,784	7,734	7,532	8,579	22,429
Maintenance of equipment and stores.....	13,624	184	323	805	473	478	936	935	1,274	1,347	1,318	1,742	3,809
Station and platform.....	27,767	168	305	571	611	909	6,710	3,162	3,178	4,220	2,818	2,229	2,886
All others.....	9,031	874	418	522	183	189	365	563	1,420	871	984	1,007	1,235

physical ability; provision of transportation to jobs; increased pay; and importation of workers from Mexico. As estimated from the employment changes on class I railroads from June 1942 to June 1943, the number of workers employed in the railroad industry increased about 100,000. While not all this increase resulted from placements by the employment service, their part increased significantly during the year.

*Placements by occupational group.*—The number of placements increased considerably in all occupational groups, but in varying degrees. The largest increase was among laborers. In 1942-43, 149,000 laborers were placed, compared with 52,000 in 1941-42. This rise, however, was not

proportionate to the total gain for all occupations. This group accounted for 76 percent of the total in 1942-43 and 88 percent the preceding year.

In all other occupational groups the percent of the total placements was higher in 1942-43 than in 1941-42. The most significant increases occurred among mechanics, helpers, and apprentices; firemen, brakemen, and flagmen; and clerical workers. The proportion of firemen, brakemen, and flagmen increased from 2.3 percent in 1941-42 to 6.9 percent in 1942-43. Mechanics, helpers, and apprentices placed in jobs in 1942-43 comprised 8.2 percent of the total; in 1941-42, they constituted only 3.0 percent. The proportion of office workers rose from 3.0 to 4.2 percent.

# OLD-AGE AND SURVIVORS INSURANCE

BUREAU OF OLD-AGE AND SURVIVORS INSURANCE • ANALYSIS DIVISION

## Operations Under the Social Security Act

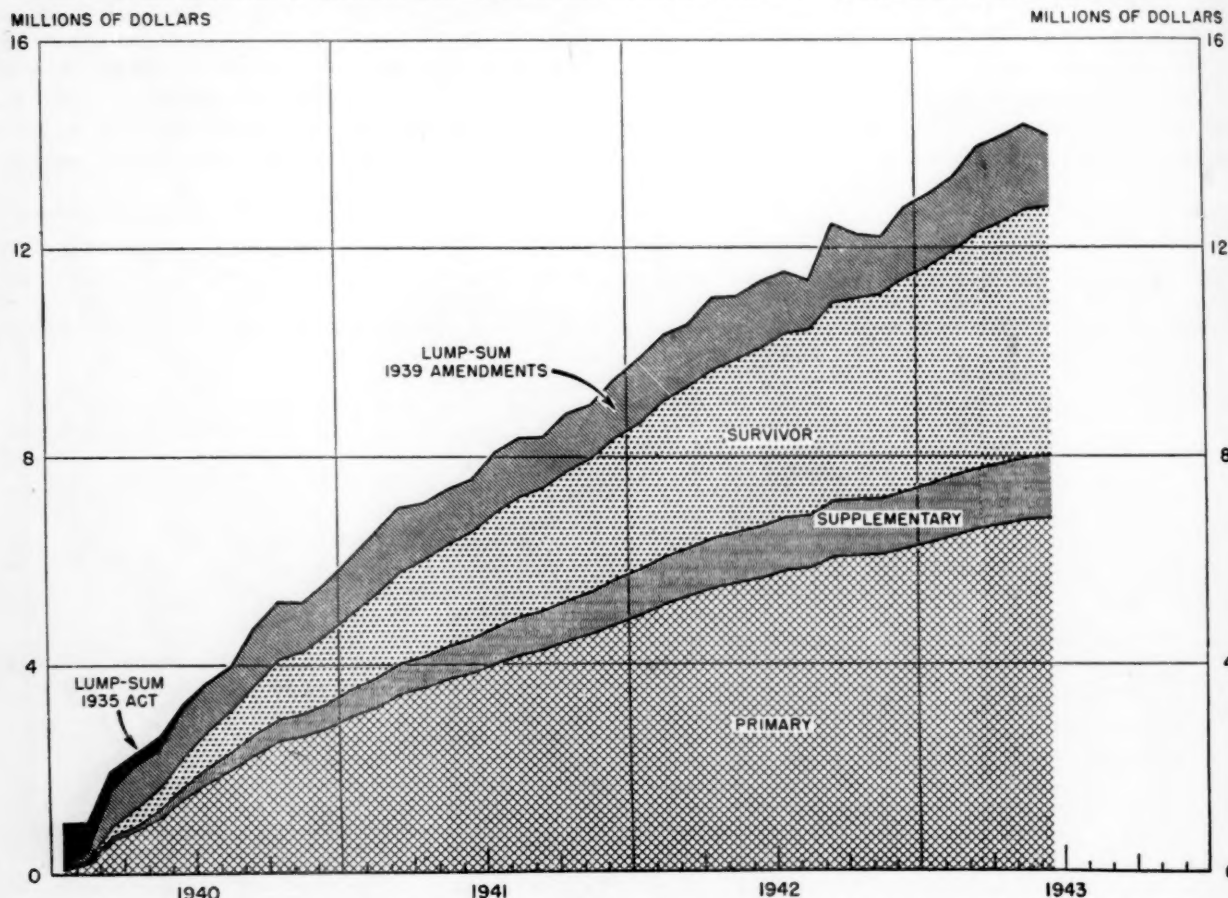
### Monthly Benefits in Force and Payments Certified, June 1943

During June, the award of monthly benefits to 20,500 individuals and the termination of 5,700 entitlements brought the number in force at the end of the month to almost 796,000 (table 1), 200,000 more than on June 30, 1942. Primary benefits constituted 44 percent of the total number in force; a year earlier they were 47 percent and at the end of June 1941, 50 percent. Wife's benefits, which are slowly decreasing as a percentage of all benefits in force, made up 12.5 percent of the total as of June 30, 1943.

The average monthly benefit in force, while varying little from month to month, is slowly increasing for all types of benefits except widow's, which has shown a gradual decline. The averages for each type of benefit at the end of June 1943 and a year earlier are as follows:

Type of benefit	Average amount of benefits in force	
	June 30, 1943	June 30, 1942
Primary.....	\$23.13	\$22.82
Wife's.....	12.31	12.15
Child's.....	12.25	12.18
Widow's.....	20.14	20.20
Widow's current.....	19.65	19.51
Parent's.....	13.06	12.98

Chart 1.—Amount of monthly benefits and lump-sum payments certified, January 1940–June 1943 <sup>1</sup>

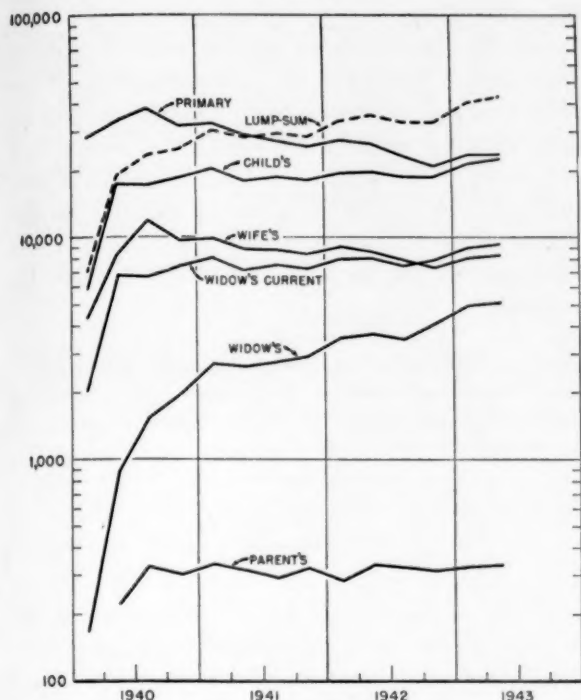


<sup>1</sup> Prior to January 1940 the only certifications made were for lump-sum payments under the 1935 act. The primary, supplementary, and survivors' benefits, begun in 1940, are monthly payments. See table 2 for the type of benefit included in each category.



Chart 2.—Number of monthly benefits and lump-sum payments awarded, by quarter, January 1940–June 1943

[Ratio scale]



During June almost \$12.8 million was certified for monthly benefit payments to nearly 687,000 beneficiaries (table 2). Nearly \$1.4 million was certified for lump-sum death payments based on

Table 2.—Monthly benefits and lump-sum payments certified, by type of payment, June 1943 and cumulative, January–June 1943

Type of payment	June 1943				Total amount certified Jan.-June 1943
	Number of beneficiaries <sup>1</sup>	Amount certified	Percentage distribution		
			Bene- ficiaries	Amount	
Monthly benefits <sup>2</sup> . . .	686,842	\$12,774,324	100.0	100.0	\$73,810,502
Primary . . . . .	288,787	6,811,190	42.0	53.3	39,747,884
Supplementary . . .	95,136	1,192,708	13.9	9.3	6,971,668
Wife's . . . . .	85,775	1,085,677	12.5	8.5	6,306,403
Child's . . . . .	9,361	107,031	1.4	.8	665,255
Survivor's . . . . .	302,949	4,770,426	44.1	37.4	27,090,060
Widow's . . . . .	37,817	809,162	5.5	6.4	4,433,140
Widow's current . .	66,129	1,382,004	9.6	10.8	7,996,889
Child's . . . . .	195,485	2,529,205	28.5	19.8	14,374,193
Parent's . . . . .	3,518	50,055	.5	.4	287,038
Lump-sum payments					
Under 1939 amend- ments <sup>3</sup> . . . . .	10,044	1,397,696			9,217,652
Under 1935 act <sup>4</sup> . .	9,983	1,394,633			9,196,940
	61	3,063			20,712

<sup>1</sup> Differs from number in current-payment status, which takes account of changes in status effective after certification.

<sup>2</sup> Distribution by type estimated.

<sup>3</sup> Includes retroactive payments.

<sup>4</sup> Number of deceased workers on whose wages payments were based.

<sup>5</sup> Payable with respect to workers who died after December 1939, if no survivor could be entitled to monthly benefits for month in which worker died.

<sup>6</sup> Payable with respect to workers who died prior to January 1940.

the wages of 10,000 deceased workers. This was the lowest amount of lump-sum death payments certified in any month since January.

### Monthly Benefits and Lump-Sum Payments Awarded, April–June 1943

During the second quarter of 1943, monthly benefits were awarded to 69,800 individuals, an

Table 1.—Monthly benefits in force<sup>1</sup> in each payment status<sup>2</sup> and actions effected during month, by type of benefit, June 1943

[Current month's data corrected to July 13, 1943]

Status of benefit and action	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Num- ber	Amount	Num- ber	Amount	Num- ber	Amount	Num- ber	Amount	Num- ber	Amount	Num- ber	Amount	Num- ber	Amount
In force as of May 31, 1943	780,700	\$14,210,411	344,363	\$7,958,155	98,017	\$1,205,583	215,344	\$2,636,004	36,706	\$741,436	82,706	\$1,623,863	3,474	\$45,370
Current-payment status	666,610	12,015,484	281,240	6,521,361	83,325	1,030,704	198,759	2,439,822	36,302	730,631	63,558	1,248,182	3,426	44,784
Deferred-payment status	3,302	64,395	2,182	47,655	427	5,209	320	3,895	144	3,446	222	4,098	7	92
Conditional-payment status	110,788	2,130,532	60,941	1,389,139	14,265	169,670	16,265	192,287	350	7,359	18,926	371,583	41	494
Suspended	92,265	1,731,950	51,819	1,141,225	11,726	134,714	13,781	161,615	217	4,474	14,683	289,451	39	471
Frozen	18,523	398,582	9,122	247,914	2,539	34,956	2,484	30,672	133	2,885	4,243	82,132	2	23
Actions during June 1943:														
Benefits awarded	20,534	370,805	6,838	166,398	2,437	31,193	6,788	84,938	1,513	30,227	2,858	56,724	100	1,325
Entitlements terminated <sup>3</sup>	5,705	101,031	1,987	46,526	947	11,627	1,689	21,623	125	2,451	932	18,473	25	331
Net adjustments <sup>4</sup>	183	4,431	26	758	9	136	104	2,225	7	103	37	1,213	0	-4
In force as of June 30, 1943	795,712	14,484,616	349,240	8,078,785	99,516	1,225,285	220,547	2,701,544	38,191	769,315	84,660	1,663,327	3,549	46,360
Current-payment status	676,302	12,198,617	284,063	6,598,535	84,398	1,045,686	201,954	2,478,715	37,680	758,205	64,711	1,271,749	3,496	45,727
Deferred-payment status	3,362	64,569	2,187	47,328	420	5,020	366	4,362	136	3,287	247	4,502	6	70
Conditional-payment status	116,048	2,221,430	62,990	1,432,922	14,698	174,579	18,227	218,467	375	7,823	19,711	387,076	47	563
Suspended	97,171	1,816,737	53,890	1,185,302	12,134	139,321	15,613	186,113	236	4,831	15,253	300,630	45	540
Frozen	18,877	404,693	9,100	247,620	2,564	35,258	2,614	32,354	139	2,992	4,458	86,446	2	23

<sup>1</sup> Represents total benefits awarded after adjustment for subsequent changes in number and amount of benefits (see footnote 4) and terminations (see footnote 3), cumulative from January 1940.

<sup>2</sup> Benefit in current-payment status is subject to no deduction or only to deduction of fixed amount which is less than current month's benefit. Benefit in deferred-payment status is one withheld entirely for a known period. Benefit in conditional-payment status is one withheld entirely for an indefi-

nite period; if previously in current or deferred-payment status, it is a suspended benefit; otherwise it is a frozen benefit.

<sup>3</sup> Benefits are terminated when a beneficiary dies or loses entitlement to benefits for the reasons specified in 1939 amendments, sec. 202.

<sup>4</sup> Adjustments result from operation of maximum and minimum provisions of 1939 amendments, sec. 203 (a) and (b), and from other administrative actions.

**Table 3.—Monthly benefits and lump-sum payments awarded, by quarter of award and by type of benefit, January 1940–June 1943**

Year and quarter	Monthly benefits							Lump-sum payments <sup>1</sup>
	Total	Primary	Wife's	Child's	Wid-ow's	Wid-ow's current	Par-ent's	
<b>1940</b>								
Jan.-Mar. ....	40,780	28,211	4,366	5,978	168	2,057	0	7,046
Apr.-June .....	67,824	33,955	8,468	17,408	885	6,885	223	19,074
July-Sept .....	76,113	38,245	11,981	17,220	1,560	6,782	325	23,793
Oct.-Dec. ....	70,267	31,924	9,740	18,776	1,987	7,536	304	25,182
<b>1941</b>								
Jan.-Mar. ....	74,567	32,802	9,901	20,597	2,703	8,227	337	30,633
Apr.-June .....	66,074	28,879	8,962	18,021	2,617	7,278	317	28,210
July-Sept .....	65,593	27,238	8,896	18,745	2,786	7,632	294	29,610
Oct.-Dec. ....	63,052	25,741	8,452	18,256	2,914	7,365	324	28,850
<b>1942</b>								
Jan.-Mar. ....	68,181	27,609	9,161	19,596	3,505	8,027	283	33,410
Apr.-June .....	67,679	26,878	8,649	19,991	3,090	8,134	337	35,428
July-Sept .....	62,161	23,826	8,013	18,804	3,475	7,624	329	32,932
Oct.-Dec. ....	60,095	21,310	7,426	18,902	4,103	8,037	317	33,221
<b>1943</b>								
Jan.-Mar. ....	67,750	23,754	8,112	21,503	4,975	9,078	328	40,525
Apr.-June .....	69,757	23,803	8,372	22,811	5,051	9,387	333	43,108

<sup>1</sup> Represents number of payees to whom lump-sum death payments were awarded on basis of wages of workers who died after December 1939.

increase of 2,000 or 3.0 percent over the previous quarter (table 3). In 1942 the number of awards dropped slightly from the first to the second quarter as a result of the decrease in number of primary and wife's benefit awards. In 1943, however, all types of monthly benefit awards showed an increase, especially survivor's benefits. Increases in awards ranged from 0.2 percent for primary benefits to 6.1 percent for child's benefits.

The number of awards of lump-sum death payments increased 2,600 or 6.4 percent from the first to the second quarter of 1943 and was higher than for any previous quarter.

#### **Estimates of Employers, Workers, and Taxable Wages, First Quarter, 1943**

The estimated average taxable wage of \$434 in the first quarter of 1943 was 16 percent above the average for the corresponding quarter of 1942 and about half the average annual taxable wage for each year from 1937 to 1940 (table 4). This rise is presumably due mainly to longer hours of work, steadier employment, extra rates for overtime, and the shifting of workers from low-wage to high-wage industries. Except for the increase in labor turn-over, the average wage for January–March of this year might have been even higher.

In the past, the average taxable wage for the first quarter has equaled about a third of the average for the year; on this basis, the average for 1943 will probably approximate \$1,300. The average for each quarter of the year, considered separately, is always more than one-fourth of the year's average, because a large number of workers are in covered employment for only a brief period each year. The wages for such short-term employment carry relatively more weight in the average wage for the quarter in which such employment occurs than in the average wage for the year.

**Table 4.—Estimated number of employers and workers and estimated amount of taxable wages included under the old-age and survivors insurance program, by specified period, 1937–43<sup>1</sup>**

[Corrected to Aug. 1, 1943]

Calendar year and quarter	Em- ployers reporting taxable wages <sup>2</sup> (in thou- sands)	Workers with taxable wages (in thousands)		Taxable wages <sup>3</sup>	
		On last day or last pay roll <sup>4</sup>	Total during period <sup>4</sup>	Total (in millions)	Average per worker
1937 .....	( <sup>5</sup> )		32,671	\$29,397	\$900
1938 .....	( <sup>5</sup> )		31,224	26,193	839
1939 .....	( <sup>5</sup> )		33,162	29,157	879
1940 .....	( <sup>5</sup> )		35,334	32,873	900
1941 .....	( <sup>5</sup> )		40,820	41,959	1,028
1942 .....	( <sup>5</sup> )		45,049	53,195	1,181
<b>1938</b>					
January–March .....	1,809	23,000	25,008	6,445	258
April–June .....	1,860	23,000	25,132	6,521	259
July–September .....	1,892	23,800	25,975	6,503	260
October–December .....	1,916	23,600	26,526	6,724	263
<b>1939</b>					
January–March .....	1,927	24,500	25,473	7,030	276
April–June .....	2,001	25,300	26,873	7,210	268
July–September .....	2,051	26,100	27,668	7,486	271
October–December .....	2,094	25,700	28,489	7,431	261
<b>1940</b>					
January–March .....	2,090	26,300	27,029	8,063	268
April–June .....	2,165	27,400	28,055	8,118	269
July–September .....	2,197	28,800	29,604	8,122	274
October–December .....	2,210	29,400	31,131	8,570	275
<b>1941</b>					
January–March .....	2,204	( <sup>5</sup> )	30,068	9,587	319
April–June .....	2,283	( <sup>5</sup> )	32,474	10,361	319
July–September .....	2,323	( <sup>5</sup> )	34,687	10,897	314
October–December .....	2,327	( <sup>5</sup> )	34,399	11,114	323
<b>1942</b>					
January–March .....	2,286	( <sup>5</sup> )	32,722	12,229	374
April–June .....	2,301	( <sup>5</sup> )	34,556	13,119	380
July–September .....	2,267	( <sup>5</sup> )	36,931	13,820	374
October–December .....	2,182	( <sup>5</sup> )	37,875	14,027	370
<b>1943</b>					
January–March .....	2,154	( <sup>5</sup> )	36,188	15,709	434

<sup>1</sup> Data subject to revision.

<sup>2</sup> Number corresponds to number of employer returns. A return may relate to more than 1 establishment if employer operates several separate establishments but reports for concern as a whole.

<sup>3</sup> Data for 1940 represent workers on pay roll for last pay period of quarter; prior to 1940, data represent workers on last working day or last pay roll of quarter. Revised estimates for 1938–40 and estimates for 1941, 1942, and 1943 will be published in a subsequent issue of the Bulletin.

<sup>4</sup> Adjusted for duplication arising from recording of wages of some workers under more than 1 account on the basis of multiple accounts discovered through Jan. 15, 1942.

<sup>5</sup> Unadjusted for nontaxable wages erroneously reported, or for wages not counted in determining insurance benefit. All wages over \$3,000 a year paid to a worker by a single employer are not taxable. Beginning with 1940 all wages in excess of \$3,000 a year received by any one worker are excluded in benefit computations.

<sup>6</sup> Not available.

An estimated 36.2 million workers received taxable wages in the first quarter of 1943—11 percent more than in the first quarter of 1942 but 4.5 percent less than in the fourth quarter. The latter difference may be attributed largely to seasonal fluctuations in employment. The increase from January–March 1942 represents a rise in the general level of employment, but it probably overstates the rise which may be expected during the rest of this year; the figure for the first quarter of 1942 reflects the relative lull in employment resulting from the conversion of industry to war production.

## Employment and Wages in 1941 Under Old-Age and Survivors Insurance\*

More workers came within the coverage of old-age and survivors insurance in 1941 than in any previous year; approximately 40.8 million employees received taxable wages under the program, 16 percent more than in 1940 (table 5). About 6.5 million of these workers had never before been employed in an occupation covered by the act. Steadier employment, longer hours, and increased wage rates brought an even greater rise in wage payments than in number of workers. Taxable wages in 1941 totaled about \$42 billion, or 28 percent more than in 1940. Average taxable earnings also reached a new peak—\$1,028 in 1941 as compared with \$930 in 1940.

The increases in employment and wages continued, of course, into 1942, although detailed data are not yet available. From incomplete employer returns, however, it is estimated that in 1942 approximately 45 million persons worked in covered employment and received about \$53 billion in taxable wages.

The regular annual tabulation of wage and employment data for 1941 was made from a sample comprising 4 percent of all individual employee wage accounts established by the end of that year. The data were compiled from all sample accounts to which taxable wages paid in 1941 had been posted before July 1, 1942. By that date, wage credits for 1941 had been posted to an estimated 98 percent of all the sample accounts for which

The estimated number of employers reporting taxable wages during January–March of this year—2,154,000—was the smallest quarterly number since January–March 1940. Although the decline from the preceding quarter may be attributed partly to the usual seasonal fluctuation, it probably indicates also a continuation of the decline which started in the third quarter of 1942. At that time the difficulties of starting new businesses and continuing old ones because of increasing shortages of labor and materials began to force some of the smaller firms out of business, while the larger ones expanded.

credits for that year will ultimately be reported, and the amount of wages posted included an estimated 96 percent of the taxable wages paid in 1941 to all employees included in the sample.

### Sex, Race, and Age Distribution

Despite the large increase in the number of workers receiving taxable wages, men continued to comprise 72 percent of all employees with wage credits (table 6). Seventy-one percent of the white workers and 84 percent of the Negro workers were men. A significant increase occurred in the percentage of all workers who were Negroes—7.5 percent in 1941 as compared with 7.0 percent in 1940.

**Table 5.—Old-age and survivors insurance: Workers with taxable wages, total and average annual taxable wages, and percentage change from preceding year, 1937–41<sup>1</sup>**

[Data adjusted to estimated 100-percent totals]

Year	Workers <sup>2</sup> (in thousands)	Taxable wages <sup>3</sup>		Percentage change from preceding year		
		Amount (in millions)	Average	Workers	Taxable wages	
					Amount	Average
1937	32,671	\$29,397	\$900			
1938	31,224	26,193	839	-4.4	-10.9	-6.8
1939	33,162	29,157	879	+6.2	+11.3	+4.8
1940	35,334	32,873	930	+6.5	+12.7	+5.8
1941	40,820	41,959	1,028	+15.5	+27.6	+10.5

<sup>1</sup> Partly estimated; based on employer reports to Bureau of Internal Revenue.

<sup>2</sup> Adjusted for duplication of workers with more than 1 account number discovered through Jan. 15, 1942.

<sup>3</sup> Not adjusted to exclude nontaxable wages erroneously reported and wages excluded from benefit computations.

\* Detailed data will appear in the *Social Security Yearbook, 1942*, now in press. For articles describing corresponding data for previous years, see the Bulletin, December 1939, pp. 3-9; December 1940, pp. 3-10; April 1941, pp. 3-10; and May 1942, pp. 5-13.



**Table 6.—Old-age and survivors insurance: Percentage distribution of workers with taxable wages, by sex and race, 1937-41<sup>1</sup>**

Sex and race <sup>2</sup>	1937	1938	1939	1940	1941
Number of workers (in thousands) <sup>3</sup>	32,671	31,224	33,162	35,334	40,820
Total	100.0	100.0	100.0	100.0	100.0
White	93.1	(7)	93.1	93.0	92.5
Negro	6.9	(2)	6.9	7.0	7.5
Male	72.0	71.6	71.9	72.3	71.8
White	66.3	(7)	66.1	66.4	65.5
Negro	5.7	(2)	5.8	5.9	6.3
Female	28.0	28.4	28.1	27.7	28.2
White	26.8	(7)	27.0	26.6	27.0
Negro	1.2	(7)	1.1	1.1	1.2

<sup>1</sup> Percentages for 1937 and 1938 are based on practically 100-percent data; for 1939, on 20-percent sample data; and for 1940 and 1941, on 4-percent sample data.

<sup>2</sup> White includes all races other than Negro. Data by race not available for 1938.

<sup>3</sup> Adjusted to represent all workers with taxable wages, and to correct for duplication of workers with more than 1 account number discovered through Jan. 15, 1942.

Of all covered workers in 1941, 11 percent were under age 20 (table 7); the corresponding proportion in 1940 was only 8.4 percent. For all except one of the 5-year age groups from 20 to 44, the percentages in 1941 were slightly less than in 1940; in the older age groups, the percentages showed little change. Although the induction of many persons into military service in 1941 probably tended to decrease the percentage of male workers aged 20-45, this fact could not have been the sole cause of the differences, because similar

changes in age distribution are shown for women as well as for men. In expanding, covered industry evidently recruited large numbers of persons under 20 and over 45 years.

### New Entrants

The 6.5 million new entrants to covered employment constituted 16 percent of all covered workers in 1941. In 1940, the 3.8 million new entrants constituted 11 percent of the total. Thirty-eight percent of the new entrants in 1941 were women as compared with 36 percent in 1940. Negroes comprised 10 percent of the total in 1941 and 9.3 percent in 1940.

In the Nation as a whole, 14 percent of the men and 22 percent of the women workers in 1941 had not previously received wage credits. These proportions, however, varied widely among the States. The proportion of new entrants among the men ranged from 11 percent in Massachusetts, Michigan, and New York to 27 percent in Mississippi; the variation among the women was from 14 percent in Alaska and 17 percent in Massachusetts to 33 percent in New Mexico.

Forty-one percent of those who received taxable wages for the first time in 1941 were under 20 years of age; the corresponding percentage for 1940 was 35. In the ages 20-44 the proportions were somewhat smaller in 1941 as compared with

**Table 7.—Old-age and survivors insurance: Percentage distribution of workers with taxable wages in 1940 and in 1941, workers who received taxable wages in the specified year and 1 or more previous years, and workers who first received taxable wages in the specified year, by age**

Age group <sup>1</sup>	Total		Workers with taxable wages in—			
			Specified year and 1 or more previous years		Specified year but not in previous years	
	1940	1941	1940	1941	1940	1941
Number of workers:						
Adjusted total <sup>2</sup>	35,334,000	40,820,000				
Tabulated total <sup>3</sup>	34,152,700	39,817,475	30,321,425	33,283,500	3,831,275	6,533,975
All ages	100.0	100.0	100.0	100.0	100.0	100.0
Under 20	8.4	10.7	5.0	4.9	35.4	40.6
20-24	18.3	18.0	18.2	17.9	19.6	17.7
25-29	16.4	15.7	17.1	17.0	10.3	8.6
30-34	13.9	13.1	14.6	14.3	8.3	7.5
35-39	11.1	11.1	11.6	12.0	7.0	6.6
40-44	9.4	9.0	9.9	9.7	5.7	5.3
45-49	7.6	7.7	8.0	8.3	4.5	4.6
50-54	6.1	5.9	6.4	6.4	3.6	3.4
55-59	4.2	4.3	4.4	4.6	2.5	2.7
60-64	2.6	2.6	2.7	2.8	1.6	1.7
65-69	1.3	1.3	1.4	1.4	.9	.8
70 and over	.7	.6	.7	.7	.6	.5

<sup>1</sup> Age at birthday in specified year.

<sup>2</sup> Adjusted to represent all workers with taxable wages, and to correct for duplication of workers with more than 1 account number discovered through Jan. 15, 1942.

<sup>3</sup> 4-percent sample data multiplied by 25; excludes workers whose ages are unknown.

1940, but in ages 45 years and over, the differences between the 2 years were only slight.

#### Number of Quarters Worked

Of all workers who received taxable wages in covered employment at any time in 1941, 60 percent received taxable wages in all 4 quarters<sup>1</sup> of the year; 14 percent received wage credits in 3 quarters, 13 percent in 2 quarters, and 13 percent in only 1 quarter. Although these proportions differ only slightly from the corresponding figures for 1940, the differences between the 2 years are accentuated if workers with previous wage credits and the new entrants are considered separately. The data indicate that in 1941 both groups probably had, on the average, longer periods of covered employment than did the corresponding groups in 1940. This situation no doubt accounts in part for the relatively high average taxable wages shown for 1941.

#### Taxable Wages in 1941

The average taxable wage, as shown by the tabulated data, amounted to \$1,011 for all workers in 1941, as compared with \$908 in 1940. For men, the average in 1941 was \$1,182; for women \$573. White workers received an average of \$1,052, while the corresponding figure for Negroes was \$500. The relative differences between these averages by sex and race were practically the same in 1941 as in 1940.

Such over-all averages, however, are materially affected by the earnings of workers who were employed in covered occupations for only brief periods during the year. The figures which most nearly reflect differences in wage rates are those for workers who received wage credits in all 4 quarters of the year, the large majority of whom were probably in covered employment throughout the year except for brief lay-offs because of seasonal factors, illness, and vacations.

For all 4-quarter workers, the average wage credit in 1941 was \$1,425; the average for men was \$1,598, and for women, \$903. Negro workers averaged \$840, white workers \$1,463. The lowest average—\$559—is shown for Negro women, and

the next lowest—\$879—for Negro men. The averages for white men and white women were \$1,654 and \$914, respectively.

As compared with 1940, the tabulations for 1941 show an increase of 13 percent in the average taxable wages of all 4-quarter workers. The percentage increase was somewhat smaller for women (9 percent) than for men (13 percent) and for Negro women (8 percent) than for white women (10 percent). Negro men, however, showed a somewhat greater percentage increase (15 percent) than did white men (13 percent).

Although as many as 21 percent of all covered workers received taxable wages of less than \$200 in 1941, only 1.5 percent of those who had wage credits in all 4 quarters of the year fell in this low wage interval.

Only 12 percent of all 4-quarter workers—8.3 percent of the men and 23 percent of the women—received less than \$600. On the other hand, 22 percent of all 4-quarter workers—29 percent of the men and 2.4 percent of the women—received \$2,000 or more.

#### Variations in Taxable Wages by State

Among the States the average wage credits of all covered workers in 1941 ranged from \$530 in

**Table 8.—Old-age and survivors insurance: Percentage distribution of all workers with taxable wages in 1941, and of workers with taxable wages in all 4 quarters of 1941, by wage interval and sex<sup>1</sup>**

Wage interval	All workers			4-quarter workers		
	Total	Male	Female	Total	Male	Female
Number of workers: Adjusted total <sup>2</sup>	40,820,000					
Tabulated total <sup>3</sup>	39,866,350	28,615,600	11,250,750	23,505,750	17,659,050	5,846,700
Total	100.0	100.0	100.0	100.0	100.0	100.0
\$1-199	21.0	17.4	30.5	1.5	1.1	2.7
200-399	10.6	9.1	14.5	3.8	2.7	7.1
400-599	8.6	7.3	12.0	6.7	4.5	13.1
600-799	8.8	7.1	13.4	10.6	6.8	22.2
800-999	8.2	6.9	11.5	11.5	8.2	21.0
1,000-1,199	7.0	6.8	7.4	10.3	9.2	13.8
1,200-1,399	6.2	6.8	4.5	9.6	10.0	8.5
1,400-1,599	5.6	6.8	2.7	9.0	10.3	5.1
1,600-1,799	4.8	6.1	1.4	7.8	9.5	2.7
1,800-1,999	4.2	5.5	.8	6.9	8.7	1.6
2,000-2,199	3.4	4.6	.4	5.6	7.2	.8
2,200-2,399	2.5	3.4	.2	4.2	5.4	.5
2,400-2,599	2.0	2.6	.2	3.2	4.2	.3
2,600-2,799	1.5	2.0	.1	2.4	3.1	.2
2,800-2,999	1.1	1.5	.1	1.8	2.4	.1
3,000	4.5	6.1	.3	5.1	6.7	.4

<sup>1</sup> Based on 4-percent sample data.

<sup>2</sup> Adjusted to represent all workers with taxable wages, and to correct for duplication of workers with more than 1 account number discovered through Jan. 15, 1942.

<sup>3</sup> 4-percent sample data multiplied by 25.

<sup>1</sup> Because wages in excess of \$3,000 paid by any employer to any one employee are not taxable, some highly paid workers whose wage payments for the year equaled or exceeded \$3,000 prior to October are classified as having had fewer than 4 quarters of employment. Although this fact does not materially affect the percentages by number of quarters employed, it may have some slight effect upon the average taxable wages, as well as distributions by wage interval, for 4-quarter workers.

Arkansas to \$1,310 in Michigan. In 16 States, most of which were located in the industrial areas of the northeast and the Pacific Coast, the average exceeded \$1,000. At the other extreme were 9 States with averages of less than \$700.

The average taxable wage of 4-quarter workers in 1941, on the other hand, was as high as \$1,896

in Alaska and \$1,734 in Michigan, and it was more than \$1,500 in 7 other States. The lowest average for all 4-quarter workers was \$944 in South Carolina. Only 4 other States—Arkansas, Mississippi, North Carolina, and Georgia—had averages of less than \$1,000 for 4-quarter workers.

## Operations Under the Railroad Retirement Act\*

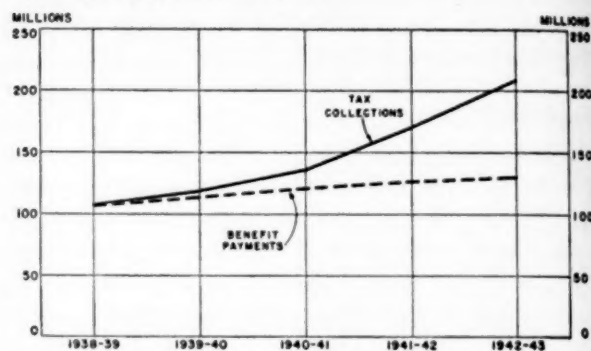
### Tax Collections

Tax receipts under the Carriers Taxing Act during 1942-43 reached a total of \$209 million, 23 percent more than in the preceding year and 52 percent more than in 1940-41. The major factor contributing to the increase was the expansion of railroad employment which brought with it higher taxable pay rolls. More than 1.0 million new employees entered the industry during the year compared with 600,000 in 1941-42 and 400,000 in 1940-41. Although turn-over offset these additions to a great extent, the average number of employees grew from 1.2 million in 1940-41 to 1.4 million in the following year and to 1.5 million in the year just ended. Increased overtime work has also contributed toward the rise in pay rolls. Taxable pay rolls amounted to \$2.4 billion in 1940-41, \$3.0 billion in 1941-42, and \$3.5 billion in 1942-43; total earnings in the industry were somewhat larger, since compensation in excess of \$300 for any month is not taxable.

\* Prepared by the Office of Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

1942-43 was the first full fiscal year in which the wage increases awarded in 1941 were in effect. Estimates for 1943-44 contemplate an even further increase in taxable compensation.

Chart 1.—Benefit payments under Railroad Retirement Act and collections under Carriers Taxing Act, fiscal years 1938-39—1942-43



Another factor contributing to the larger collections during 1942-43 was the increased tax rate which went into effect on January 1, 1943, when the combined tax on employees and employers was raised from 6 to 6½ percent. Since taxes

Table 1.—Railroad retirement: Annuities and pensions in force and net benefit payments certified to the Secretary of the Treasury, by class of benefit, June 1943<sup>1</sup>

Period and action	Total		Employee annuities		Pensions to former carrier pensioners		Survivor annuities		Death-benefit annuities <sup>2</sup>	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of May 31, 1943.....	159,565	\$10,241,872	131,082	\$8,664,310	24,538	\$1,449,226	3,382	\$108,147	563	\$20,187
During June 1943:										
Initial certifications.....	1,649	103,872	1,521	99,433	0	0	36	1,082	92	3,356
Terminations by death (deduct).....	1,125	70,168	792	52,950	262	14,518	8	291	63	2,408
In force as of June 30, 1943.....	160,045	10,275,396	131,772	8,710,758	24,270	1,434,657	3,409	108,891	594	21,189
Total payments (net).....		\$11,088,350		9,012,919		1,418,911		111,446		31,610

<sup>1</sup> For definitions of classes of benefit, see the Bulletin, October 1942, p. 25. Data for initial certifications are for period in which payment was certified, not for period in which it began to accrue. Data for terminations by death are for period in which notice of death was received, not for period in which beneficiary died. In-force data represent certifications less terminations by death; they are adjusted for recertifications, reinstatements, and terminations for reasons other than death (suspension, return to service, recovery from disability, commutation to lump-sum payment). Certifications are

reported on an accounting-month basis ended on approximately the 20th, terminations are reported through the 10th, and total payments are on calendar-month basis. Cents omitted.

<sup>2</sup> In a few cases, payments are made to more than 1 survivor on account of death of 1 individual; such payments are counted as single items. Terminations include those by death and by expiration of 12-month period for which death-benefit annuities are payable; nearly all terminations are of latter type.

<sup>3</sup> Includes \$513,471 for lump-sum death benefits.



collected in a given quarter are based, generally, on compensation earned in the preceding quarter, only the collections received during the April-June quarter were at the higher rate. For that period they amounted to \$57.5 million, \$7.3 million more than in January-March. All contributions in 1943-44 will be at the new rate, which will remain in effect on earnings through 1945.

### Benefit Payments

Because of the growing number of employee annuitants on the retirement rolls, benefit payments certified to the Secretary of the Treasury continued to rise. Benefits amounting to \$11.1 million in June raised the total for the fiscal year to \$131 million, a 3.3-percent increase over the preceding year.

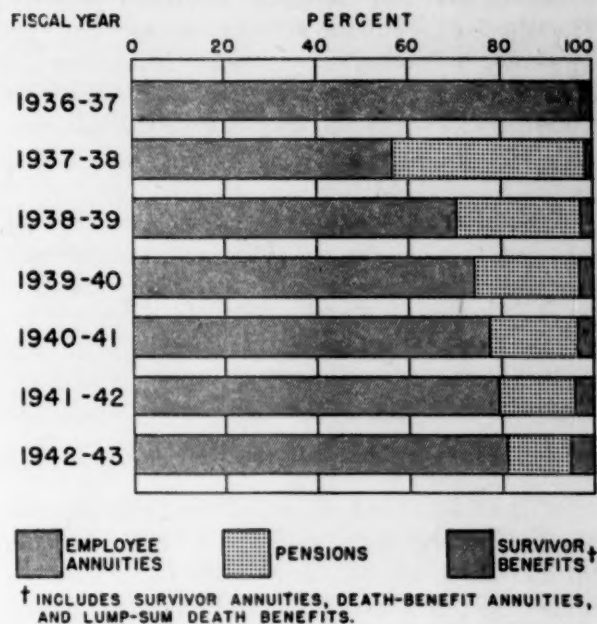
While payments have been increasing each year since the beginning of the retirement system, they have not risen as rapidly as tax collections (chart 1). In 1940-41, disbursements were equal to 89 percent of the contributions, in 1941-42 they were 74 percent, and in the last fiscal year, only 63 percent. The downward trend in this ratio will probably be continued in 1943-44.

Employee annuities constituted 81 percent of total payments in 1942-43, compared with 80 percent in the preceding year, and 77 percent in 1940-41 (chart 2). Pension payments, on the other hand, declined from 19 percent of the total in 1940-41, to 16 and 14 percent, respectively, in the 2 succeeding years. Lump-sum death benefits amounted to 3.9 percent of all payments in 1942-43, survivor annuity payments to 1 percent, and death-benefit annuity payments to less than 0.5 percent.

From the beginning of operations through June, almost \$688 million had been certified for benefits, of which \$512 million went to employee annuitants, \$151 million to former carrier pensioners, and \$23.7 million to survivors. At the end of June, the Board was paying 160,000 annuities and pensions at a total monthly rate of \$10.3 million.

*Employee annuities.*—The large number of railroad employees postponing their retirement, the decrease in the number of applications for employee annuities filed, and the corresponding decline in the number of annuities initially certified, all provide a measure of the extent to which war conditions have affected the retirement

Chart 2.—Percentage distribution of benefit payments under the Railroad Retirement Act by class of benefit, fiscal years 1936-37—1942-43



system. At the end of 1942, more than 105,000 individuals were still in active railroad employment although eligible to retire. A little more than half, who were between the ages of 60 and 65, had 30 years of service but would suffer a reduction in annuity if they retired before age 65. The rest had already reached age 65 and could retire on a full annuity. By the end of 1942, there were, in addition, more than 15,000 individuals who were no longer in active railroad service but were eligible for retirement annuities. The great majority of these, however, had accumulated only short periods of service and were eligible for relatively small amounts. Many of them may not consider it worth the trouble to apply for such benefits. Others have probably found employment outside the railroad industry and prefer to remain in such employment rather than accept the small amount to which they are entitled.

During 1942-43, the Board received 17,800 applications, or a monthly average of 1,480. This figure is about the same as that for the preceding year but somewhat less than the 1,830 recorded for 1940-41. The number of employee annuities initially certified accordingly fell from 20,700 in 1940-41 to 16,100 in the year just ended.

Although the total number of certifications declined in 1942-43, the number of disability annuities certified actually increased slightly. The decline occurred entirely among the age annuities, reflecting the greater incentives for individuals to remain in employment. The age annuities still made up the bulk of the certifications—74 percent in the last fiscal year and 75 percent in 1941-42.

While the number of individuals added to the rolls each year has been falling off, terminations because of death have been increasing steadily. Deaths of 9,700 employee annuitants were reported to the Board during the last year, 10 percent more than in 1941-42. By the end of June, 44,200 or 25 percent of the 177,000 annuities certified since the beginning of operations had been terminated by death.

An additional 1,169 annuities were in terminated status at the end of the year for reasons other than death. Of these, 615 had been commuted to lump-sum payments; 403 had been terminated because the annuitant had returned to service with an employer under the act or with the last person not an employer for whom he had worked prior to the beginning date of his annuity; 51 disability annuitants had recovered from disability; and 100 annuities were in suspension for various reasons.

While the number of terminations because of return to service is rather small, it will be noted that the figure excludes all cases in which the annuitant accepted employment outside the industry from a person other than the one by whom he was last employed. Although no record of such cases is maintained by the Board, a rough estimate places the number of such individuals now on the annuity rolls at approximately 20,000.

At the end of the year, the Board was paying annuities to 132,000 retired employees. The annuity rolls had grown by an average of 501 a month during 1942-43. As a result of the increase in the number of deaths and the decrease in the number of new certifications, the size of the annuity rolls has tended to level off. It can be expected, however, that the number in force will continue to grow for a number of years before reaching a stationary level.

Because the more recently certified annuities were, on the whole, based on longer periods of service and higher average monthly compensation

than annuities certified in earlier years, the average monthly payment has been increasing. The rise has been small, however—from \$65.70 at the end of 1940-41 to \$66.10 on June 30, 1943.

*Pensions.*—Only 2 former carrier pensioners were added to the rolls in 1942-43; they were transferred from the pension register of a company recently determined to be an employer under the act. Twelve percent of the pensioners on the rolls at the beginning of the fiscal year were removed during the year because of death. Half of the 48,600 pensioners transferred to the rolls of the Board since July 1, 1937, were still receiving payments at the end of 1942-43.

The average pension payable on June 30, 1943—\$59.11—was 14 cents higher than the average at the end of 1941-42 and 20 cents higher than the year before.

*Survivor annuities.*—The small number of annuities certified to the surviving spouse of a deceased annuitant reflects the limited number of employee annuitants who elect the joint-and-survivor type of annuity and the relatively small number of deaths among such individuals. In 1942-43, only 451 survivor annuities were certified compared with 367 in 1941-42 and 501 in the preceding year. The number of such annuities terminated by death is still comparatively small—94 in the year just ended—so that the survivor-annuity rolls have continued to grow. On June 30, 1942, 3,100 annuities were in force; at the end of the last fiscal year there were 3,400.

The average monthly payment for survivor annuities in force declined slightly during the last 3 years—from \$33.15 on June 30, 1940, to \$31.94 at the end of the last fiscal year.

*Death-benefit annuities.*—Since only a negligible number of annuities remain to be certified under the 1935 act, the annuities of this type still in force represent almost the entire source from which death-benefit annuities may ultimately arise. In 1942-43 the Board certified only 897 death-benefit annuities. Terminations removed 883, with the result that the number in force at the end of the year stood at 594, or 21 more than at the end of the preceding year.

The average monthly payment for death-benefit annuities in force has fluctuated around \$36 for several years. At the end of June 1943, the figure was \$35.67.

*Lump-sum death benefits.*—For each of the 3

years preceding the one just ended, the Board certified about 13,000 lump-sum death benefits; in 1942-43, however, the number increased to 14,800. The average payment during this period has been increasing rapidly because of the accumulation of wage credits earned by employees since January 1, 1937. The average benefit certified in 1940-41 was \$218.64; in the following year the average was \$278.28 and in the year just ended, \$339.98.

#### *Administrative Expenses*

The appropriation for the administration of the retirement system for 1942-43 was \$3.0 million. Expenditures totaled \$2.9 million, including costs incurred under the prior-service program other than the payments to employers for verification of service and compensation claimed by employees. The ratio of administrative expenses to benefit payments has been decreasing until in 1942-43 it amounted to 2.2 percent of benefit payments. Taking into account payments to employers, the total cumulative administrative expenses to June 30, 1943, were 4.0 percent of benefit payments. Payments to employers under the prior-service program amounted to \$2.1 million during 1942-43. At the

end of June, \$271,000 remained of the \$9.0 million appropriated for that purpose in October 1940.

#### *Financial Status of the Retirement System*

The railroad retirement account started the fiscal year with a balance of \$94.1 million. The appropriation for the year, transferred to the account in quarterly installments, amounted to \$215 million, and interest on investments provided an additional \$5.8 million, making a total of \$221 million available for benefit payments and further investments. Benefit payments during 1942-43 accounted for \$131 million, leaving a balance at the end of the year of \$178 million in 3-percent Treasury notes, and \$5.9 million in cash.<sup>1</sup>

From the beginning of operations through June 30, 1943, the Treasury made available to the retirement system from funds collected under the Carriers Taxing Act a total of \$882 million, consisting of \$854 million for benefit payments and investments, \$9.0 million for payments to employers under the prior-service program, and \$19.1 million for administrative expenses.

<sup>1</sup> Balance is \$11.0 million less than assets shown in table 8, p. 72, which are based on checks actually cashed and returned to the Treasury, instead of benefits certified for payment.



# SOCIAL AND ECONOMIC DATA

BUREAU OF RESEARCH AND STATISTICS

## Social Security and Other Income Payments to Individuals

Income payments to individuals in June amounted to \$11.8 billion, 1.4 percent more than in May and 25 percent above the level of payments in June 1942 (table 1). The largest increases over the past year have occurred in wages and salaries and in entrepreneurial income—29 and 25 percent, respectively. The only other segment of income payments to show an increase—dividends and interest—was 8.2 percent above the level of a year ago.

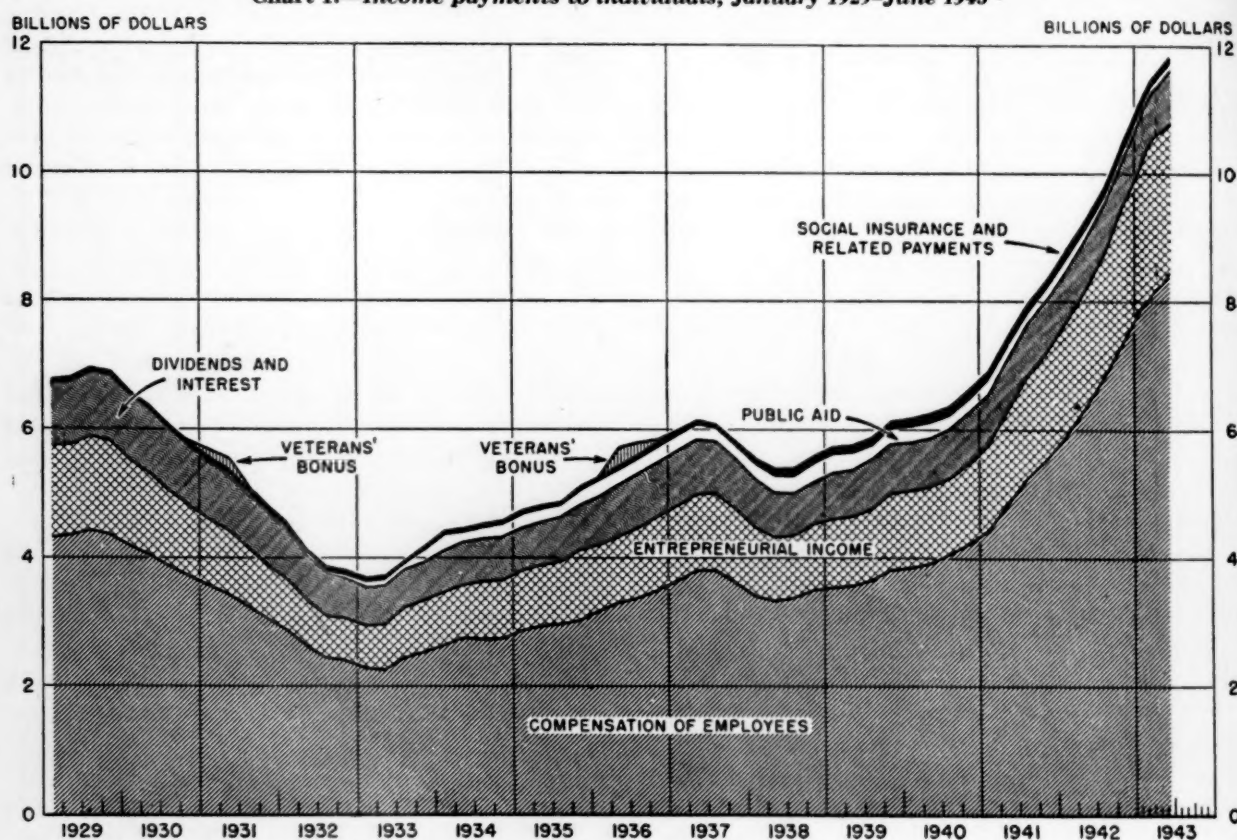
Compensation of employees amounted to \$8.4 billion in June or 71 percent of all income payments; a year ago this segment of income payments accounted for 69 percent of the total and in the calendar year 1939, for only 62 percent. It is probable that a still higher proportion of total

payments will be concentrated in compensation of employees at the peak of the war effort. It is estimated that wages and salaries covered by the old-age and survivors insurance program have increased 23 percent since last June, while in the noncovered industries the increase was about 42 percent; the latter was due largely to the 60-percent increase in Government pay rolls which include pay for the armed forces.

Entrepreneurial income, net rents, and royalties amounted to \$2.4 billion, \$467 million above the level of last June. The rise reflects the 33-percent increase in farm income; nonfarm income increased only 7 percent.

Work and direct relief payments were \$79 million this June, a drop of \$61 million from the

Chart 1.—Income payments to individuals, January 1929–June 1943<sup>1</sup>



<sup>1</sup> Monthly average for each quarter for the period 1929–42; monthly data thereafter.

Source: U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce.

level of a year ago. Fifty-one million dollars of this decline occurred under work relief programs, which this month amounted to only \$2 million—mainly payments under the NYA war training program.

Social insurance and related payments of \$140 million were 1.4 percent above payments in May but 8.5 percent below payments in June of last year. Although the decline in unemployment insurance payments from May to June was more than offset by increased payments under the workmen's compensation and retirement, disability, and survivor programs, over the year the rise in payments under other programs did not offset the decrease in unemployment insurance.

#### **Estimated Pay Rolls in Covered Employment, First Quarter, 1943**

Total wages and salaries in the first quarter of 1943 amounted to \$23.1 billion, \$6.2 billion or 36 percent more than in the first quarter of 1942 (table 2). The bulk of the increase was due to the increase in governmental pay rolls, including pay to the armed forces, and in pay rolls in industries manufacturing war materials. If govern-

mental pay rolls are excluded, the increase in wages and salaries was \$3.8 billion or 25 percent.

Pay rolls covered by the two retirement programs amounted to \$16.7 billion and accounted for 72 percent of all wages and salaries in the first quarter of 1943 as compared with 78 percent in the first quarter of 1942. Although wages and salaries paid in employment under these programs increased considerably over the first quarter of 1942, the increase in total wages and salaries was more rapid; consequently, covered pay rolls decreased as a proportion of the total. The rise under the old-age and survivors insurance program was the net result of a large increase in manufacturing industries working on war production, partially offset by smaller changes under other covered industries, such as service and trade.

Pay rolls in employment covered by unemployment insurance programs amounted to \$15.5 billion, an increase of 26.5 percent over the first quarter of 1942. Inasmuch as total wages and salaries increased 36 percent over the same period, pay rolls under these programs accounted for 67 percent of the total in the first quarter of this year as compared with 72 percent a year ago.

**Table 1.—Income payments to individuals, by specified period, 1936–43<sup>1</sup>**

[In millions; data corrected to Aug. 6, 1943]

Calendar year and month	Total	Compensation of employees <sup>2</sup>	Entrepreneurial income, net rents, and royalties	Dividends and interest	Public aid		Social insurance and related payments <sup>3</sup>	Veterans' bonus
					Work relief <sup>4</sup>	Direct relief <sup>4</sup>		
1936.....	\$68,024	\$40,027	\$13,003	\$9,785	\$2,155	\$672	\$955	\$1,427
1937.....	72,365	44,689	14,162	9,891	1,639	836	1,020	126
1938.....	66,135	40,845	12,369	8,233	2,094	1,008	1,529	57
1939.....	70,829	43,906	13,441	8,891	1,870	1,071	1,616	34
1940.....	76,472	48,309	14,484	9,175	1,577	1,098	1,801	28
1941.....	92,229	60,356	18,139	9,653	1,213	1,112	1,737	19
1942.....	115,479	79,522	23,145	9,331	586	1,061	1,823	11
1942								
June.....	9,490	6,545	1,886	765	53	87	153	1
July.....	9,668	6,716	1,898	764	45	86	158	1
August.....	9,855	6,855	1,960	766	35	86	152	1
September.....	9,981	6,968	1,982	769	30	85	146	1
October.....	10,237	7,185	2,025	772	26	85	143	1
November.....	10,591	7,443	2,125	778	24	84	136	1
December.....	10,830	7,631	2,170	784	23	84	137	1
1943								
January.....	11,002	7,818	2,151	791	19	83	139	1
February.....	11,227	7,962	2,231	799	15	81	139	(*)
March.....	11,441	8,064	2,340	806	11	78	141	1
April.....	11,605	8,206	2,364	813	7	77	138	(*)
May.....	11,680	8,294	2,348	820	4	76	138	(*)
June.....	11,844	8,443	2,353	828	2	77	140	1

<sup>1</sup> Compensation of employees; entrepreneurial income, net rents, and royalties; and dividends and interest adjusted for seasonal variation.

<sup>2</sup> Wage and salary payments minus deductions for employee contributions to social insurance and related programs. Includes industrial pensions, payments to the armed forces, and Government portion of payments to dependents of members of the armed forces.

<sup>3</sup> Earnings of persons employed by NYA, WPA, and CCC. Excludes earnings of persons employed on other Federal agency projects financed from emergency funds; such earnings are included in compensation of employees.

<sup>4</sup> Payments to recipients under 3 special public assistance programs and

general assistance, value of food stamps issued by Food Distribution Administration under food stamp plan, and subsistence payments certified by Farm Security Administration.

<sup>5</sup> Payments under programs of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, veterans' pensions, workmen's compensation, State unemployment compensation, and railroad unemployment insurance.

<sup>6</sup> Less than \$500,000.

Source: U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce.

Wages amounting to \$14.6 billion were paid for employment covered by State unemployment compensation laws—substantially the same types

**Table 2.—Estimated pay rolls in employment covered by selected social insurance and retirement programs in relation to all wages and salaries, by specified period, 1937-43**

Period	All wages and salaries <sup>1</sup>	Pay rolls covered by retirement programs <sup>2</sup>		Pay rolls covered by unemployment insurance programs <sup>3</sup>	
		Old-age and survivors insur- ance <sup>4</sup>	Railroad retire- ment <sup>4</sup>	State un- employ- ment compen- sation <sup>5</sup>	Railroad un- employment insur- ance <sup>6</sup>
Amount (in millions)					
Calendar year:					
1937.....	\$45,053	\$32,532	\$2,265	(7)	\$2,265
1938.....	41,247	28,635	2,010	\$26,200	2,010
1939.....	44,313	31,488	2,149	29,069	2,149
1940.....	48,771	35,652	2,272	32,450	2,272
1941.....	60,957	45,645	2,685	42,146	2,685
1942.....	80,293	58,208	3,337	53,994	3,337
1942					
Jan.-Mar.....	16,942	12,440	762	11,516	762
Apr.-June.....	18,959	13,778	816	12,743	816
July-Sept.....	20,741	15,040	864	14,000	864
Oct.-Dec.....	23,651	16,950	895	15,735	895
1943					
Jan.-Mar.....	23,098	15,834	892	14,637	892
Percent of all wages and salaries					
Calendar year:					
1937.....	100.0	72.2	5.0	(7)	5.0
1938.....	100.0	69.4	4.9	63.5	4.9
1939.....	100.0	71.1	4.8	65.6	4.8
1940.....	100.0	73.1	4.7	66.5	4.7
1941.....	100.0	74.9	4.4	69.1	4.4
1942.....	100.0	72.5	4.2	67.2	4.2
1942					
Jan.-Mar.....	100.0	73.4	4.5	68.0	4.5
Apr.-June.....	100.0	72.7	4.3	67.2	4.3
July-Sept.....	100.0	72.5	4.2	67.5	4.2
Oct.-Dec.....	100.0	71.7	3.8	66.5	3.8
1943					
Jan.-Mar.....	100.0	68.6	3.9	63.4	3.9

<sup>1</sup> Data from Bureau of Foreign and Domestic Commerce. Quarterly data have been adjusted to correct for distribution of bonus payments. Represents estimated wages and salaries paid in cash and in kind in continental United States and, in addition, Army and Navy pay rolls in all other areas. Includes employee contributions to social insurance and retirement programs. Because estimates of all wages and salaries are built up by industry groups, amount in covered and noncovered employment cannot be determined precisely. While the estimated amount in covered employment included within this total differs from pay rolls in covered employment as given in this table, the difference is so small that it does not invalidate relationship of covered pay rolls to total. Commerce estimates relate to calendar quarters; estimates for pay rolls covered by old-age and survivors insurance, railroad retirement, and unemployment compensation relate to pay periods ended in calendar quarters.

<sup>2</sup> Includes data for Alaska and Hawaii. Pay roll in these 2 Territories covered by State unemployment compensation programs has ranged from \$18 to \$72 million per quarter.

<sup>3</sup> Represents taxable wages plus estimated nontaxable wages in excess of \$3,000 earned in employment covered by program. Series revised.

<sup>4</sup> Represents taxable wages plus nontaxable wages in excess of \$300 per month.

<sup>5</sup> Represents taxable wages plus nontaxable wages earned in employment covered by program; excludes earnings of railroad workers covered by State laws through June 1939. Data for 1942 and 1943 estimated.

<sup>6</sup> Estimated for 1937-June 1939 when railroad workers were covered by State unemployment compensation laws.

<sup>7</sup> Not available.

of employment as are covered by old-age and survivors insurance but excluding, in most States, small-sized firms, usually those with less than 8 employees. Pay rolls under State unemployment compensation laws represented 63 percent of all wages and salaries, while for the same period of last year the proportion was 68 percent.

### Social Insurance and Related Payments

Payments in June under the programs shown in table 3 amounted to \$76 million and represented about 54 percent of all social insurance and related payments as estimated by the Department of Commerce. Payments were 21 percent lower than in June 1942, the net result of a 7.5-percent increase in retirement, disability, and survivor payments and an 80-percent decrease in unemployment insurance payments.

Monthly retirement and disability payments under all four programs were above the levels of June 1942, with the largest increase, 20 percent, occurring under old-age and survivors insurance; under the other programs increases ranged between 2 and 8 percent. The relative immaturity of the old-age and survivors insurance program accounts for its large increase. The rise in payments under the veterans' program reflects the increase in the number of veterans of World War II who are receiving compensation.

Monthly payments to survivors under the old-age and survivors insurance program amounted to \$4.8 million, 39 percent above payments in the same month of last year; under the railroad retirement and veterans' programs the increase was less than 5 percent.

Lump-sum payments amounting to \$2.9 million under all four programs were 10 percent above payments in June of last year; the largest increases occurred under the railroad and civil-service retirement programs. Payments under the old-age and survivors insurance program increased 9.4 percent and accounted for almost half of all lump-sum payments.

Unemployment insurance payments under State unemployment compensation laws and the Federal railroad unemployment insurance system recorded further declines in June. Payments under the former decreased 80 percent from last June and under the latter program, 83 percent.

Under the retirement, disability, and survivor programs, approximately 1.9 million individuals



Table 3.—Payments under selected social insurance and related programs, by specified period, 1936-43<sup>1</sup>

[In thousands; data corrected to Aug. 5, 1943]

Calendar year and month	Total	Retirement, disability, and survivor payments												Re-funds under Civil Service Commission to employees leaving service <sup>4</sup>	Unemployment insurance payments		
		Total	Monthly retirement and disability payments <sup>2</sup>				Survivor payments						Total		State unemployment compensation laws <sup>11</sup>	Rail-road Unemployment Insurance Act <sup>12</sup>	
			Social Security Act <sup>3</sup>	Rail-road Retirement Act <sup>4</sup>	Civil Service Commission <sup>5</sup>	Veterans Administration <sup>6</sup>	Monthly			Lump-sum							
							Social Security Act <sup>7</sup>	Rail-road Retirement Act <sup>8</sup>	Veterans Administration <sup>9</sup>	Social Security Act <sup>10</sup>	Rail-road Retirement Act <sup>11</sup>	Civil Service Commission <sup>12</sup>					Veterans Administration <sup>13</sup>
1936.....	\$461,760	\$458,765	-----	\$683	\$51,630	\$299,001	-----	\$2	\$99,992	-----	\$4,062	\$3,395	\$2,864	\$131	\$131	-----	
1937.....	505,143	499,532	-----	40,001	53,694	299,660	-----	444	96,370	\$1,278	4,401	3,684	3,479	2,132	2,132	-----	
1938.....	972,926	575,814	-----	96,766	56,118	301,277	-----	1,383	101,492	10,478	\$291	4,604	3,405	3,326	393,786	393,786	
1939.....	1,046,006	608,095	-----	107,282	58,331	307,512	-----	1,451	109,192	13,896	1,926	4,952	3,553	2,846	435,065	429,298	
1940.....	1,191,008	654,042	\$21,075	114,166	62,019	317,851	\$7,784	1,448	105,696	11,736	2,497	5,810	3,960	3,277	534,589	518,700	
1941.....	1,090,102	726,631	55,141	119,913	64,933	320,561	25,454	1,559	111,799	13,328	3,421	6,170	4,352	4,615	358,556	344,321	
1942.....	1,137,074	780,364	80,304	122,806	68,115	325,262	41,702	1,603	111,196	15,034	4,114	6,108	4,120	6,357	350,353	344,084	
June.....	95,580	64,581	6,660	10,210	5,637	26,658	3,431	141	9,212	1,278	449	547	358	547	30,482	30,226	
July.....	99,608	66,278	6,824	10,288	5,677	28,027	3,545	140	9,233	1,186	514	503	341	551	32,779	32,625	
August.....	94,605	65,685	6,873	10,262	5,743	27,491	3,569	139	9,256	957	389	690	316	445	28,475	28,623	
September.....	89,645	66,508	7,141	10,257	5,772	27,360	3,805	137	9,251	1,529	299	612	345	536	22,601	22,395	
October.....	84,457	66,813	7,175	10,308	5,802	27,517	3,863	134	9,486	1,239	349	609	331	558	17,086	16,896	
November.....	78,801	66,425	7,191	10,326	5,820	27,350	3,921	135	9,372	1,104	344	553	309	645	11,731	11,574	
December.....	79,567	67,333	7,338	10,402	5,858	27,493	4,082	137	9,432	1,362	413	489	327	521	11,713	11,558	
1943.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	
January.....	80,392	67,307	7,464	10,302	5,913	27,310	4,171	135	9,423	1,395	313	538	343	701	12,384	12,182	
February.....	79,208	67,762	7,623	10,364	5,941	27,293	4,308	138	9,332	1,453	421	547	342	408	11,038	11,878	
March.....	80,532	68,776	7,781	10,386	5,968	27,416	4,492	140	9,445	1,672	414	627	435	870	10,896	10,744	
April.....	77,110	68,854	7,871	10,106	5,985	27,410	4,615	128	9,530	1,635	517	668	<sup>14</sup> 389	781	7,475	7,369	
May.....	76,509	69,165	7,976	10,114	6,022	27,449	4,735	128	9,549	1,665	565	601	<sup>15</sup> 361	907	6,437	6,383	
June.....	75,968	69,406	8,004	10,432	6,067	<sup>16</sup> 27,497	4,770	143	<sup>17</sup> 9,592	1,398	513	629	<sup>18</sup> 361	571	5,991	5,950	

<sup>1</sup> Data represent payments to individuals and exclude cost of administration. Payments under Social Security and Railroad Retirement Acts (including retroactive payments) and payments under Railroad Unemployment Insurance Act are amounts certified; payments under Civil Service Commission and Veterans Administration are disbursements minus cancellations. State unemployment insurance payments are checks issued by State agencies.

<sup>2</sup> Old-age retirement benefits under all acts, disability retirement benefits under Railroad Retirement and Civil Service Retirement Acts, and disability payments to veterans.

<sup>3</sup> Represents primary and wife's benefits and benefits to children of primary beneficiaries. Partly estimated.

<sup>4</sup> Amounts certified, minus cancellations. Monthly payments to survivors include annuities to widows under joint and survivor elections and 12-month death-benefit annuities to widows and next of kin.

<sup>5</sup> Represents principally payments from civil-service retirement and disability fund but includes also payments from Canal Zone retirement and disability fund and Alaska Railroad retirement and disability fund administration.

tered by Civil Service Commission. Monthly retirement payments include accrued annuities to date of death paid to survivors. Data for calendar years 1936-39 estimated on basis of fiscal-year data.

<sup>6</sup> Veterans' pensions and compensation payments.

<sup>7</sup> Represents widow's, widow's current, parent's, and child's benefits. Partly estimated.

<sup>8</sup> Payments to widows, parents, and children of deceased veterans.

<sup>9</sup> Represents survivor payments with respect to deaths of covered workers under both the 1935 and 1939 acts, and, for the period January 1937-August 1939, payments to covered workers at age 65 totaling \$9.9 million, which are not survivor payments.

<sup>10</sup> Payments for burial of deceased veterans.

<sup>11</sup> Annual figures adjusted for voided benefit checks; monthly figures unadjusted.

<sup>12</sup> 1942 annual figures adjusted for underpayments and recoveries of overpayments; monthly figures unadjusted.

<sup>13</sup> Preliminary estimate.

received monthly benefits (table 4) of \$66.5 million in June and 16,100 received lump-sum payments amounting to \$2.9 million. Unemployment insurance payments amounting to almost \$6 million were made to 101,000 beneficiaries.

### Changes in Payments and Services to Veterans and Their Survivors

The Seventy-eighth Congress has passed several laws which affect payments and services to veterans. In general these laws extend to veterans of World War II the benefits provided veterans of other wars. Thus, Public Law No. 10 provides hospitalization, domiciliary care, and burial benefits for veterans of World War II on the same basis as for veterans of World War I. In line with the veterans' regulations which provide that such services shall be available to veterans in a stated order of preference, running from service-connected disability down through non-service-connected disabilities, veterans of World War II can now receive these services within the limits of

available facilities for non-service-connected as well as service-connected disabilities or injuries.

Public Law No. 13 authorizes renewal of expiring 5-year term policies of persons in active service and certain other persons outside the continental United States; Public Law No. 16 provides for the vocational rehabilitation of disabled veterans of the present war. Another law, Public, No. 144, signed by the President on July 13, contains provisions which change the benefit rates payable to widows and children of deceased veterans. Inasmuch as these changes will directly affect the amount of payments under the Veterans Administration program, which are reported monthly in the social insurance and related programs series, the extent of the changes is of interest.

Public Law No. 144 was designed to correct inequalities arising under existing law, with a view to simplifying present procedures and establishing uniform provisions whenever possible. The law contains 17 sections, 3 of which pertain to the size of benefit payments or to eligibility for payment.

Table 4.—Individuals receiving payments under selected social insurance and related programs, by month, June 1942–June 1943

[In thousands; data corrected to Aug. 5, 1943]

Year and month	Retirement, disability, and survivor beneficiaries											Separated employees receiving refunds under Civil Service Commission <sup>8</sup>	Unemployment insurance beneficiaries	
	Monthly retirement and disability beneficiaries				Survivor beneficiaries								State unemployment compensation laws <sup>10</sup>	Railroad unemployment insurance Act <sup>11</sup>
	Social Security Act <sup>1</sup>	Railroad Retirement Act <sup>2</sup>	Civil Service Commission <sup>3</sup>	Veterans Administration <sup>4</sup>	Social Security Act <sup>5</sup>	Railroad Retirement Act <sup>6</sup>	Veterans Administration <sup>7</sup>	Social Security Act	Railroad Retirement Act	Civil Service Commission	Veterans Administration			
1942														
June.....	322.3	153.3	70.0	623.0	215.3	3.6	316.8	9.2	1.4	0.6	3.5	5.1	552.7	4.7
July.....	328.7	153.8	70.4	623.1	222.5	3.7	317.6	8.5	1.3	.5	3.6	5.5	574.9	3.3
August.....	333.2	153.8	70.9	623.5	226.7	3.8	318.5	6.9	1.3	.8	3.3	4.8	543.0	4.6
September.....	341.2	154.3	71.4	623.1	236.1	3.8	315.5	10.8	1.1	.7	3.5	6.3	422.7	4.3
October.....	345.4	154.5	71.7	623.6	242.5	3.8	315.8	8.8	1.0	.7	3.4	7.7	310.4	3.9
November.....	346.6	154.7	72.2	624.0	247.8	3.8	316.1	7.9	1.0	.7	3.2	8.9	221.5	3.3
December.....	351.8	154.9	72.7	624.1	255.1	3.8	315.9	9.7	1.2	.6	3.3	7.3	192.6	3.3
1943														
January.....	358.4	154.9	72.8	622.8	262.3	3.8	311.5	9.8	1.0	.7	3.7	10.0	226.8	4.0
February.....	364.6	155.4	73.4	622.0	269.7	3.9	311.2	10.2	1.3	.7	3.7	9.3	208.6	3.5
March.....	369.9	155.4	73.7	621.0	279.2	3.9	311.9	11.9	1.2	.8	4.4	14.8	181.5	2.6
April.....	375.1	155.6	74.0	620.8	288.2	3.9	312.2	11.8	1.4	1.0	4.1	13.1	131.2	1.9
May.....	380.6	155.6	74.4	621.9	297.2	3.9	313.4	11.9	1.6	.9	3.8	13.0	119.5	1.0
June.....	383.9	156.0	74.8	623.0	302.9	4.0	314.8	10.0	1.4	.9	3.8	12.2	100.3	.7

<sup>1</sup> Primary beneficiaries and their wives and children, for whom benefits were certified.

<sup>2</sup> Annuitants and pensioners on roll as of 20th of month; includes disability annuitants.

<sup>3</sup> See table 3, footnote 5. Includes persons receiving survivor benefits under joint and survivor elections. Figures not adjusted for suspension of annuities of persons reemployed under National Defense Acts of June 28, 1940, and Jan. 24, 1942.

<sup>4</sup> Veterans receiving pensions and compensation.

<sup>5</sup> Widows, parents, and children for whom benefits were certified.

<sup>6</sup> Widows receiving survivor benefits under joint and survivor elections and next of kin receiving death-benefit annuities for 12 months; number on roll as of 20th of month. Widows receiving both survivor and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1.

<sup>7</sup> Widows, parents, and children of deceased veterans on whose account payments were made during month.

<sup>8</sup> For Social Security Act, deceased wage earners whose survivors received payments under either the 1935 or 1939 act; for Railroad Retirement Act, deceased wage earners whose survivors received payments certified in month ended on 20th calendar day; for Civil Service Commission, employees who died before retirement age and annuitants with unexpended balances whose survivors received payments; for Veterans Administration, survivors or other persons entitled to reimbursement for expenditures in connection with burial of deceased veterans.

<sup>9</sup> See table 3, footnote 5, for programs covered.

<sup>10</sup> Represents average weekly number of benefit recipients.

<sup>11</sup> Represents average number of persons receiving benefits for unemployment in a 14-day registration period.

The other sections relate to definitions, forfeiture or renouncing of benefits, concurrent payments, and so on.

Section 11 of the law provides that, when payments to a widow with children are disallowed or discontinued because of the maximum income limitation of \$2,500, payment to a child or children may be made as though there were no widow. Previously, if a widow had a child or children, whether in her custody or not, the rights of such children were governed by the rights of the widow, and when her entitlement was barred because of the income limitation it was not possible to award benefits to the child or children.

Section 13 increases the cash payments made to a disabled veteran with no dependents, while he is receiving hospitalization or institutional or domiciliary care; the veteran receives \$20 a month, instead of the former allowance of \$15, if the disability was service-connected, and \$8, instead of \$6, if it was non-service-connected.

Payments to widows and children based on the wartime service-connected death of a veteran are increased in section 14 (a) by elimination of the differential based on age and the adoption of higher rates for all ages. Benefit rates based

upon previous legislation and those under the new law are compared in the following tabulation:

PREVIOUS RATES (Public, No. 198, 76th Cong.)		PRESENT RATES (Public, No. 144, 78th Cong.)	
WIDOW, NO CHILD			
Age under 50 years.....	\$38	Irrespective of age.....	\$50
Age 50 years or over.....	45		
WIDOW, WITH CHILD OR CHILDREN			
Widow (as above).....	\$38 or \$45	Widow and 1 child.....	\$65
First child:		Each additional child.....	13
Below age 10.....	10		
Aged 10 and over.....	15		
Each additional child:			
Below age 10.....	8		
Aged 10 and over.....	13		
CHILDREN, NO WIDOW			
1 child.....	\$20	1 child.....	\$25
2 children.....	33	2 children.....	38
3 children.....	46	Each additional child.....	10
Each additional child.....	8	Maximum total.....	100
Maximum total.....	83		

It is also provided in section 14 (b) that the rates payable to survivors with respect to the service-connected death of a veteran in peacetime shall be approximately 75 percent of the wartime service-connected rates shown above.

It is estimated that the changes in section 14 will increase the benefit payments of approximately 45,200 cases by \$4.5 million in the first year.

## Financial and Economic Data

### *Receipts and Expenditures, Fiscal Year 1942-43*

Social security tax receipts, which have increased each fiscal year since the taxes were initially levied, totaled \$1,289 million in 1942-43. This amount represented, however, only 5.5 percent of total Federal receipts, a lower ratio than in any previous full fiscal year (table 1).

Social security expenditures, including administrative expenses, grants to States, and net appropriations to the old-age and survivors insurance trust fund, amounted to \$1,607 million, considerably more than in any previous fiscal year. This sum constituted only 2.0 percent of total Federal expenditures, as compared with 4.1 percent in 1941-42 and 8.3 percent in 1940-41.

Total Federal receipts in the fiscal year were 71 percent more than in 1941-42, while total expenditures more than doubled. The public debt increased during the year by \$64.3 billion, almost three times the increase in 1941-42. Approximately \$2.3 billion, or 3.5 percent of the debt

increase, consisted of securities acquired by the two social security trust funds; in 1941-42, the growth in the investments of these funds equaled 7.2 percent of the total rise in the public debt, and in 1940-41, 20 percent (table 2). The computed rate of interest on the interest-bearing public debt declined further to 1.979 percent as of June 30, 1943; a year earlier it was 2.285 percent.

Expenditures under the Social Security Act for grants to States and administration rose less than 1 percent. The largest absolute increase occurred in grants for old-age assistance, which totaled 6 percent more than in the previous fiscal year. (table 3). The largest relative increase—10 percent—occurred in grants for maternal and child health services. Grants for unemployment compensation administration were \$15.1 million or 22 percent less in 1942-43 than in 1941-42; these figures include Federal expenditures for direct operation of the employment services from January 1, 1942, through November 30, 1942. Declines



also occurred in the grants for aid to dependent children, public health work, services for crippled children, and the child welfare services.

Expenditures for most of the grant-in-aid programs during 1942-43 approached closely their respective appropriations. Expenditures for maternal and child health services and child welfare services actually exceeded 1942-43 appropriations, because unexpended appropriations were available from previous fiscal years. Grants for aid to dependent children, however, exhausted only 86 percent of the year's appropriation, and grants for unemployment compensation admin-

istration, 69 percent. The amounts of checks issued to each State during the past fiscal year under each of eight grant-in-aid programs are shown in table 4.

### Appropriations for 1943-44

The Labor-Federal Security Appropriation Act, 1944, approved by the President on July 12, appropriated \$484.4 million for operations under the Social Security Act, \$64.6 million less than the corresponding total for 1942-43 (table 5). The 1943-44 act differs from that for 1942-43 in that it does not include a separate appropriation for

Table 1.—Social security and total Federal receipts, expenditures, and public debt, by specified period, 1936-43

(In millions)

Period	General and special accounts										Public debt							
	Receipts of Federal Government				Expenditures of Federal Government						Trust accounts, etc., excess receipts (+) or expenditures (-)	Change in general fund balance	Total	Old-age and survivors insurance trust fund	Unemployment trust fund	Railroad retirement account	All other	
	Total <sup>1</sup>	Social security taxes <sup>2</sup>	Railroad retirement and unemployment taxes <sup>3</sup>	All other	Total <sup>1</sup>	Under the Social Security Act		Under the Railroad Retirement Board		Excess receipts (+) or expenditures (-)								
						Administrative expenses and grants to States <sup>4</sup>	Net appropriations and transfers to old-age and survivors insurance trust fund	Administrative expenses	Transfers to railroad retirement account									All other
Fiscal year:																		
1936-37	\$5,294	\$252	(?)	\$5,042	\$8,442	\$183	\$265	\$1		\$7,993	-\$3,149	+\$374	-\$128	\$36,425	\$267	\$312		\$35,846
1937-38	6,242	604	\$150	5,488	7,626	291	387	3	\$146	6,799	-1,384	+306	-338	37,165	662	872	\$66	35,565
1938-39	5,668	631	109	4,928	9,210	342	503	3	107	8,255	-3,542	+890	+622	40,440	1,177	1,267	67	37,929
1939-40	5,925	712	126	5,087	9,537	379	539	8	121	8,490	-3,612	+137	-947	42,968	1,738	1,710	79	39,441
1940-41	8,269	788	144	7,337	13,372	447	661	7	124	12,133	-5,103	-148	+742	48,961	2,381	2,273	74	44,233
1941-42	13,668	1,016	178	12,474	33,265	501	869	10	141	31,744	-19,598	-3,506	+358	72,422	3,202	3,139	92	65,989
1942-43	23,385	1,289	219	21,877	70,282	504	1,103	8	215	77,452	-55,897	-1,861	+6,515	136,696	4,237	4,367	178	127,914
1942																		
June	2,494	5	37	2,452	4,531	11	1	1		4,518	-2,037	-1,635	+179	72,422	3,202	3,139	92	65,989
July	794	52	1	741	5,208	79	47	1	113	4,968	-4,413	-4	+296	77,136	3,192	3,162	195	70,587
August	797	220	12	565	5,425	41	209	1		5,174	-4,628	-54	-134	81,685	3,197	3,352	184	74,952
September	2,528	4	39	2,485	5,932	21	1	1		5,909	-3,404	-245	+1,148	86,483	3,415	3,359	173	79,536
October	648	47	1	600	5,979	63	41	1	34	5,840	-5,331	-496	+594	92,904	3,403	3,397	196	85,908
November	830	240	8	582	6,591	39	229	1		6,322	-5,761	+736	-1,814	96,116	3,393	3,588	185	88,950
December	2,702	4	45	2,653	6,501	33	1	1		6,465	-3,799	-794	+7,461	108,170	3,655	3,687	174	100,654
1943																		
January	824	51	1	772	6,408	56	35	1	34	6,282	-5,584	-135	-2,819	111,069	3,645	3,717	197	103,510
February	1,190	336	8	846	6,354	25	235	1		6,093	-5,164	-122	-2,331	114,024	3,632	3,970	187	106,235
March	5,207	6	44	5,157	7,355	37	1	1		7,316	-2,147	-549	-1,213	115,507	3,893	3,992	176	107,446
April	1,555	47	3	1,505	7,507	59	41	1	35	7,371	-5,952	+48	+8,438	129,849	3,880	4,016	200	121,745
May	1,742	276	6	1,460	7,697	37	262	(?)		7,398	-5,955	-39	+70	135,913	3,880	4,285	189	127,559
June	4,569	6	51	4,512	8,327	15	(?)	1		8,311	-3,758	-206	-3,180	136,696	4,237	4,367	178	127,914

<sup>1</sup> Beginning July 1940, Treasury reports of net receipts and expenditures of general and special accounts exclude appropriations to old-age and survivors insurance trust fund minus reimbursements to Treasury for administrative expenses; such net appropriations are included in this table for comparison with previous periods.

<sup>2</sup> Represents collections under Federal Insurance Contributions Act and Federal Unemployment Tax Act.

<sup>3</sup> Represents total collections under Carriers Taxing Act and 10 percent of collections under Railroad Unemployment Insurance Act (see table 6, footnote 5).

<sup>4</sup> Checks cashed and returned to Treasury. Excludes public-debt retirement.

<sup>5</sup> Excludes funds for vocational rehabilitation program of Office of Education and for disease and sanitation investigations of Public Health Service

(see table 3, footnote 1); prior to Jan. 1, 1942, excludes grants to States for employment service administration under Wagner-Peyser Act. Such grants are included in "all other"; from Jan. 1 through Nov. 30, 1942, includes Federal expenditures for operation of employment services in the States. Also excludes administrative expenses incurred by Treasury prior to July 1940 in administration of title II of Social Security Act and Federal Insurance Contributions Act. Includes administrative expenses under Wagner-Peyser Act, July 1940-December 1941.

<sup>6</sup> Includes all trust accounts, increment resulting from reduction in weight of gold dollar, expenditures chargeable against increment on gold (other than retirement of national bank notes), and receipts from seigniorage.

<sup>7</sup> Less than \$500,000.

Source: Daily Statement of the U. S. Treasury.

**Table 2.—Ratio of social security receipts, expenditures, and investments to total Federal receipts, expenditures, and rise in public debt, by fiscal year, 1936-43**

Fiscal year	Ratio (percent) of—		
	Social security taxes <sup>1</sup> to total Federal receipts <sup>2</sup>	Social security expenditures <sup>3</sup> to total Federal expenditures <sup>2</sup>	Social security investments <sup>4</sup> to rise in total public debt
1936-37.....	4.8	5.3	21.2
1937-38.....	9.7	8.9	129.1
1938-39.....	11.1	9.2	27.8
1939-40.....	12.0	9.6	39.7
1940-41.....	9.5	8.3	20.1
1941-42.....	7.4	4.1	7.2
1942-43.....	5.5	2.0	3.5

<sup>1</sup> Represents collections under Federal Insurance Contributions Act and Federal Unemployment Tax Act.

<sup>2</sup> Includes net appropriations and transfers to old-age and survivors insurance trust fund.

<sup>3</sup> Represents administrative expenses, grants to States, and net appropriations and transfers to old-age and survivors insurance trust fund.

<sup>4</sup> Represents old-age and survivors insurance trust fund and unemployment trust fund.

disease and sanitation investigation, authorized under the Social Security Act. Funds for this purpose (approximately \$1.3 million) are now included in the appropriation for the National Institute of Health and the States Relations Division; the change allows funds to be appropriated in accord with the organizational units in the Public Health Service.

Appropriations for the Social Security Board total \$458.3 million, 12 percent less than for 1942-43. The largest decrease—\$44.3 million—is in grants to States for unemployment compensation administration. Because of the wartime transfer of the U. S. Employment Service to the War Manpower Commission, funds for operation of placement services are no longer included in the Board's appropriations. The low level in unemployment compensation claims is also responsible for part of the decrease. The amounts appropriated for old-age assistance and aid to dependent children were \$4 million and \$13 million less, respectively. Funds appropriated to the Department of Labor for maternal and child welfare grants and to the Public Health Service for public health work are the same as in 1942-43. The appropriation for aid to the blind is slightly more than that for the preceding fiscal year. The amounts appropriated for administrative expenses of the Social Security Board for 1943-44 total \$24 million, \$2.6 million less than for 1942-43. The appropriation for administration of social security programs in the Children's

Bureau decreased, while that for the Bureau of the Census increased.

### Social Insurance Tax Collections, Fiscal Year 1942-43

Total tax collections under the five selected social insurance programs listed in table 6 amounted to \$2.8 billion in 1942-43, 19 percent more than in 1941-42. Collections under each of the pro-

**Table 3.—Federal appropriations and expenditures for administrative expenses and grants to States under the Social Security Act, by specified period, 1941-43 <sup>1</sup>**

Item	Fiscal year 1941-42		Fiscal year 1942-43	
	Appropriations <sup>2</sup>	Expenditures through June <sup>3</sup>	Appropriations <sup>2</sup>	Expenditures through June <sup>3</sup>
Total.....	\$503,829	\$501,020	\$544,688	\$503,092
Administrative expenses.....	26,129	31,461	27,128	33,276
Federal Security Agency, Social Security Board <sup>4</sup> .....	25,655	24,752	26,642	25,524
Department of Labor, Children's Bureau.....	364	363	376	366
Department of Commerce, Bureau of the Census.....	110	115	110	433
Department of the Treasury <sup>5</sup> .....	(6)	6,231	(6)	6,954
Grants to States.....	477,700	469,559	517,560	470,416
Federal Security Agency.....	466,500	458,062	506,360	458,509
Social Security Board.....	455,500	446,672	495,360	447,852
Old-age assistance.....	300,000	299,054	329,000	316,939
Aid to dependent children.....	74,000	69,406	78,000	67,287
Aid to the blind.....	9,000	7,954	8,710	8,493
Unemployment compensation administration.....	72,500	70,257	79,650	75,134
Public Health Service: Public health work.....	11,000	11,390	11,000	10,657
Department of Labor, Children's Bureau.....	11,200	11,497	11,200	11,907
Maternal and child health services.....	5,820	5,927	5,820	6,510
Services for crippled children.....	3,870	3,997	3,870	3,818
Child welfare services.....	1,510	1,573	1,510	1,570

<sup>1</sup> Excludes some funds appropriated and expended under the Social Security Act, because they are not separated from other Federal funds for similar purposes. Such is the case with funds for vocational rehabilitation for which \$112,000 was appropriated for 1941-42 and \$95,120 for 1942-43 for administration in the Office of Education, and \$2,650,000 for 1941-42 and \$2,800,000 for 1942-43 for grants to States. For disease and sanitation investigations of the Public Health Service, appropriations were \$1,742,481 for 1941-42 and \$1,419,680 for 1942-43 in addition to grants to States shown in this table.

<sup>2</sup> Excludes unexpended balance of appropriations for previous fiscal year. Appropriations for 1941-42 include additional appropriation of \$40,000,000 approved Apr. 28, 1942.

<sup>3</sup> Based on checks cashed and returned to the Treasury. Includes expenditures from reappropriated balance of appropriations for previous fiscal year.

<sup>4</sup> Includes amounts expended by the Board in administration of title II of the act, reimbursed to general fund of the Treasury. Includes amounts for administration of the Wagner-Peyser Act prior to Jan. 1, 1942. See footnote 7.

<sup>5</sup> Represents amounts expended by the Treasury in administration of title II of the Social Security Act and the Federal Insurance Contributions Act, reimbursed to general fund of the Treasury.

<sup>6</sup> Not available.

<sup>7</sup> Prior to Jan. 1, 1942, includes grants certified by the Social Security Board to States for employment service administration to meet requirements of unemployment compensation program, and excludes grants to States for employment service administration under the Wagner-Peyser Act. From Jan. 1 through Nov. 30, 1942, includes Federal expenditures for operation of employment services in the States.

Source: Various Federal appropriation acts (appropriations); *Daily Statement of the U. S. Treasury* (expenditures).

**Table 4.—Federal grants to States under the Social Security Act:<sup>1</sup> Checks issued by the Treasury Department in the fiscal years 1941-42 and 1942-43<sup>2</sup>**

[In thousands]

State	Fiscal year 1941-42, total grants <sup>3</sup>	Fiscal year 1942-43								
		Total grants	Federal Security Agency					Department of Labor		
			Social Security Board				Public Health Service	Children's Bureau		
			Old-age assistance	Aid to dependent children	Aid to the blind	Unemployment compensation administration <sup>4</sup>		Maternal and child health services	Services for crippled children	Child welfare services
Total, all participating States.....	\$469,982.2	\$472,657.6	\$319,005.1	\$67,921.1	\$8,522.7	\$54,554.9	\$10,572.7	\$6,650.2	\$3,848.2	\$1,582.8
Alabama.....	3,186.4	3,262.0	1,341.8	632.3	45.1	480.6	359.8	251.5	109.1	41.8
Alaska.....	477.2	447.6	278.8	( <sup>5</sup> )	( <sup>5</sup> )	62.2	35.1	37.4	22.6	11.5
Arizona.....	3,111.9	3,103.7	2,174.9	467.0	90.0	186.2	71.9	73.8	26.1	13.8
Arkansas.....	3,248.5	3,853.5	1,998.8	778.5	107.7	489.3	195.1	156.2	90.5	37.4
California.....	47,731.6	44,149.2	35,254.0	2,533.1	1,695.6	3,868.5	391.0	174.7	163.3	69.1
Colorado.....	10,890.1	10,273.0	8,533.5	1,061.9	139.5	304.0	115.9	47.1	54.3	16.7
Connecticut.....	5,038.2	4,800.8	3,172.0	480.4	32.2	850.6	107.9	103.4	33.7	29.7
Delaware.....	610.5	524.7	184.2	104.4	( <sup>5</sup> )	136.7	33.1	42.4	11.1	12.8
District of Columbia.....	1,419.5	1,355.2	590.8	263.5	64.8	241.7	68.3	60.4	50.8	18.1
Florida.....	5,631.2	5,761.8	3,875.9	727.0	277.3	489.6	182.0	114.6	68.7	26.7
Georgia.....	5,687.2	6,335.3	4,092.7	693.6	177.7	709.1	362.4	177.9	83.8	38.0
Hawaii.....	707.1	590.6	153.6	162.0	9.3	123.2	51.1	55.5	24.6	11.2
Idaho.....	2,545.7	2,626.5	1,643.0	556.9	46.8	179.6	77.8	76.6	35.3	14.8
Illinois.....	32,331.5	35,699.9	25,626.3	5,637.1	( <sup>5</sup> )	3,411.6	492.4	317.9	167.1	47.6
Indiana.....	13,694.1	13,633.7	9,039.3	2,471.0	410.0	1,290.3	249.8	83.3	56.1	34.0
Iowa.....	8,854.4	8,557.2	7,471.5	( <sup>5</sup> )	268.3	413.3	198.4	70.0	100.0	33.8
Kansas.....	6,498.0	6,871.7	4,705.4	1,232.1	220.5	392.8	174.3	81.9	36.3	28.5
Kentucky.....	4,860.8	5,606.4	4,109.6	151.8	82.7	591.5	341.4	189.2	94.3	45.9
Louisiana.....	7,321.5	7,638.3	3,970.4	2,477.7	187.4	669.4	272.4	151.3	90.8	29.0
Maine.....	3,155.9	3,197.2	2,123.3	407.9	140.9	297.0	70.1	93.5	41.8	22.7
Maryland.....	4,471.9	3,945.6	1,927.7	1,030.0	88.8	549.5	132.3	139.1	58.9	19.3
Massachusetts.....	23,152.9	22,462.0	17,368.8	2,376.4	175.4	2,105.8	225.3	160.3	80.2	29.9
Michigan.....	19,238.4	19,313.4	12,636.1	3,540.1	252.4	2,226.1	314.6	176.8	123.7	43.6
Minnesota.....	12,506.0	12,044.1	8,793.4	1,690.4	186.4	882.9	206.3	125.8	123.0	33.9
Mississippi.....	3,064.1	2,837.1	1,455.4	327.3	92.5	337.4	339.3	163.8	84.6	36.8
Missouri.....	14,422.5	16,991.1	12,445.4	2,568.1	( <sup>5</sup> )	1,403.4	256.5	200.0	82.8	34.9
Montana.....	2,786.9	2,701.6	1,794.8	496.5	52.7	200.9	49.2	58.9	33.2	15.5
Nebraska.....	5,224.0	5,419.5	3,787.7	912.6	101.0	299.4	84.6	149.1	61.7	23.5
Nevada.....	730.8	633.4	418.4	( <sup>5</sup> )	( <sup>5</sup> )	116.7	37.4	41.2	7.5	12.3
New Hampshire.....	1,656.4	1,625.2	1,042.5	187.7	49.0	215.5	52.3	44.6	21.7	12.1
New Jersey.....	9,831.9	8,162.4	4,123.0	1,378.8	120.1	2,072.4	227.6	144.0	72.4	24.2
New Mexico.....	1,377.1	1,662.9	650.8	542.7	35.7	128.8	89.1	155.2	39.7	20.9
New York.....	36,698.8	32,263.8	19,357.7	4,943.6	530.6	6,324.7	661.4	169.4	222.9	53.5
North Carolina.....	5,835.8	5,368.4	2,538.0	1,067.1	243.5	717.4	375.4	290.4	119.2	47.4
North Dakota.....	2,103.5	1,953.5	1,134.2	483.8	20.5	132.9	74.7	159.7	129.4	40.0
Ohio.....	28,009.8	28,533.8	22,290.8	2,369.9	560.9	2,632.4	350.7	205.1	91.6	33.2
Oklahoma.....	12,931.0	14,826.9	10,707.8	2,746.9	327.4	493.0	221.8	53.3	40.7	15.1
Oregon.....	4,670.2	4,610.1	3,289.3	364.0	77.9	656.9	112.9	53.3	190.7	70.3
Pennsylvania.....	32,277.6	28,796.6	14,763.2	8,948.1	( <sup>5</sup> )	4,004.6	537.9	281.9	77.0	42.6
Puerto Rico.....	640.4	467.1					213.6	134.0		
Rhode Island.....	2,245.4	2,038.6	1,118.0	297.7	17.2	435.4	63.0	59.9	35.7	11.7
South Carolina.....	2,831.0	2,907.6	1,423.8	438.8	65.5	417.1	253.7	202.5	72.2	34.1
South Dakota.....	2,506.7	2,528.0	1,810.6	364.3	27.9	115.8	70.5	78.9	40.0	20.3
Tennessee.....	6,098.3	6,018.8	3,039.0	1,666.5	126.4	626.0	288.1	113.5	95.2	44.1
Texas.....	24,019.8	27,701.6	22,607.7	1,901.6	574.5	1,424.9	621.5	325.2	139.7	106.4
Utah.....	3,945.4	3,489.2	2,442.8	573.6	29.4	232.1	63.9	84.8	48.3	14.3
Vermont.....	1,096.2	1,050.6	586.1	144.4	23.0	148.6	33.4	96.7	110.0	37.9
Virginia.....	3,470.6	3,144.8	1,216.5	695.3	101.0	618.1	271.1	141.6	71.2	24.7
Washington.....	16,156.5	15,695.0	13,311.4	909.0	204.2	597.1	135.8	118.9	63.7	28.6
West Virginia.....	5,498.9	5,640.0	2,386.2	2,267.9	141.6	503.7	129.6	118.9	83.5	33.4
Wisconsin.....	11,538.5	10,852.7	7,703.8	1,677.4	277.4	768.7	188.6	119.9	22.2	15.3
Wyoming.....	1,040.7	1,023.6	594.8	158.5	24.1	121.4	38.7	48.5		
Central office <sup>1</sup> .....	875.4	7,660.3				7,660.3				

<sup>1</sup> Advances certified for Federal grants to States in 1942-43 will not be published. The two tables represent different stages in accounting operations, and the differences for the fiscal year were so slight as not to justify publication of both tables.

<sup>2</sup> Excludes Federal funds for vocational rehabilitation under the Social Security Act, because they are not separated from other Federal funds for similar purposes.

<sup>3</sup> Prior to Jan. 1, 1942, included grants certified by the Social Security Board to States for employment service administration to meet requirements of unemployment compensation program and excluded grants under the

Wagner-Peyser Act. From Jan. 1 through Nov. 30, 1942, includes grants for unemployment compensation administration and Federal expenditures for operation of employment services in the States.

<sup>4</sup> No plan approved by the Social Security Board.

<sup>5</sup> Represents Federal expenditures since Jan. 1, 1942, for office supplies; amount not distributed by State.

Source: Compiled from data furnished by the Treasury Department, Office of the Commissioner of Accounts and Deposits.



**Table 5.—Appropriations under the Social Security Act, fiscal year 1943-44**

(In thousands)

Item	Amount
Total.....	\$484,433
Federal Security Agency.....	472,623
Social Security Board.....	458,328
Salaries and expenses.....	24,000
Grants to States.....	434,328
Old-age assistance.....	325,000
Aid to dependent children.....	65,000
Aid to the blind.....	9,000
Unemployment compensation administration.....	35,328
Public Health Service.....	11,000
Grants to States for public health work.....	11,000
Office of Education.....	3,295
Salaries and expenses.....	95
Grants to States for vocational rehabilitation.....	3,200
Department of Labor, Children's Bureau.....	11,560
Salaries and expenses.....	360
Grants to States.....	11,200
Maternal and child health services.....	5,820
Services for crippled children.....	3,870
Child welfare services.....	1,510
Department of Commerce, Bureau of the Census.....	250
Salaries and expenses.....	250

Source: Labor-Federal Security Appropriation Act, 1944.

grams were considerably higher than in any previous fiscal year.

Federal insurance contributions, which reached a new quarterly peak in the last quarter of the fiscal year, increased 26 percent over collections in 1941-42 and were \$25 million more than the amount estimated in the 1944 budget. Collections under the Federal Unemployment Tax Act rose 32 percent and exceeded the budget estimates by \$10.5 million.

State unemployment contributions also showed an 11-percent rise, despite the fact that operation of experience-rating provisions lowered contribution rates in many States. Collections under the Carriers Taxing Act and the Railroad Unemployment Insurance Act increased 23 and 21 percent, respectively.

#### Old-Age and Survivors Insurance Trust Fund

Total assets of the old-age and survivors insurance trust fund at the end of the fiscal year were almost one-third more than the figure a year earlier (table 7). Total investments of the fund as of June 30 were \$4,237 million on which the average interest rate was 2.258 percent as compared with 2.505 percent on June 30, 1942.

All special old-age reserve account notes held by the fund which bore an interest rate of 3 percent matured on June 30. The proceeds from

their redemption, amounting to \$378.2 million, were reinvested in 1½-percent special old-age and survivors insurance trust fund notes, together with \$356.8 million of new funds available for investment. The 1½-percent rate on the new notes was below that on any obligations previously acquired. Interest for the year on the investment holdings, amounting to \$83.9 million, was credited in June.

Net investments of \$1,035 million were acquired by the trust fund throughout 1942-43; new securities totaled \$1,559 million, and redemptions, \$524 million. The redemptions consisted entirely of 3-percent special old-age reserve account notes, including notes totaling \$146 million redeemed at various times in the year to make funds available for benefit payments and administrative expenses.

The new securities acquired consisted of \$1,434

**Table 6.—Social insurance taxes under selected programs, by specified period, 1936-43**

(In thousands)

Period	Old-age and survivors insurance		Unemployment insurance		
	Federal insurance contributions <sup>1</sup>	Taxes on carriers and their employees <sup>2</sup>	State unemployment contributions <sup>3</sup>	Federal unemployment taxes <sup>4</sup>	Railroad unemployment insurance contributions <sup>5</sup>
Cumulative through June 1943.....	\$4,500,473	\$896,449	\$5,890,978	\$732,228	\$304,777
Fiscal year:					
1936-37.....	194,346	345	(7)	\$57,751	-----
1937-38.....	514,406	150,132	(7)	\$90,104	-----
1938-39.....	530,368	109,257	803,007	100,869	-----
1939-40.....	604,604	120,967	853,955	107,523	49,167
1940-41.....	690,555	136,942	888,450	97,677	68,162
1941-42.....	895,619	170,012	1,093,901	119,944	84,738
1942-43.....	1,130,495	208,795	1,215,201	158,361	102,710
1942					
June.....	3,747	35,025	5,955	952	21,845
July.....	49,371	977	136,883	2,842	87
August.....	211,685	11,455	132,780	8,452	1,600
September.....	3,435	36,491	6,291	882	22,448
October.....	43,949	1,126	143,232	2,619	106
November.....	231,075	8,183	153,166	8,689	940
December.....	3,517	42,848	12,249	950	24,566
1943					
January.....	37,117	1,075	128,366	13,606	64
February.....	236,743	7,387	173,586	99,042	1,271
March.....	2,858	41,766	4,485	3,243	25,201
April.....	43,407	2,971	147,548	3,260	94
May.....	264,568	5,897	168,030	11,653	470
June.....	2,769	48,618	8,585	3,121	25,864

<sup>1</sup> Tax effective Jan. 1, 1937, payable by employers and employees.

<sup>2</sup> Federal tax effective Mar. 1, 1936, payable by carriers and employees.

<sup>3</sup> Represents contributions plus penalties and interest collected from employers and contributions from employees, deposited in State clearing accounts. Data include contributions based on wages from railroad industry prior to July 1, 1939. Data reported by State agencies, corrected to July 26, 1943.

<sup>4</sup> Tax effective Jan. 1, 1936, payable by employers only. Amounts paid into State unemployment funds not included.

<sup>5</sup> Tax effective July 1, 1939, payable by employers only. Amounts differ from figures in table 1, which represent only the 10 percent deposited in general and special accounts of Treasury.

<sup>6</sup> Includes \$40,561,886 subsequently refunded to States which did not collect taxes on 1936 pay rolls and in which employers paid full tax to the Federal Government.

<sup>7</sup> Not available.

Table 7.—Status of the old-age and survivors insurance trust fund, by specified period, 1936-43

[In thousands]

Period	Receipts		Expenditures		Assets			
	Transfers and appropriations to trust fund <sup>1</sup>	Interest received <sup>2</sup>	Benefit payments <sup>3</sup>	Reimbursement for administrative expenses	Net total of Treasury notes and bonds acquired <sup>4</sup>	Cash with disbursing officer at end of period	Credit of fund account at end of period <sup>5</sup>	Total assets at end of period
Cumulative through June 1943.....	\$4, 419, 255	\$301, 482	\$359, 054	\$93, 386	* \$4, 236, 834	\$24, 495	\$6, 966	\$4, 268, 296
Fiscal year:								
1936-37.....	285, 000	2, 262	27		267, 100	73	62	267, 235
1937-38.....	387, 000	15, 412	5, 404		395, 200	1, 931	113, 012	777, 243
1938-39.....	503, 000	26, 951	13, 892		514, 900	3, 036	66	1, 180, 302
1939-40.....	550, 000	42, 489	15, 805	12, 288	560, 900	6, 098	500	1, 744, 698
1940-41.....	688, 141	55, 958	64, 342	26, 840	642, 500	10, 778	6, 238	2, 307, 615
1941-42.....	895, 619	71, 007	110, 281	26, 766	821, 034	20, 384	5, 176	3, 227, 194
1942-43.....	1, 130, 495	87, 403	149, 304	27, 492	1, 035, 200	24, 495	6, 966	4, 268, 296
1942								
June.....	3, 747	69, 118	10, 815	2, 369	274, 300	20, 384	5, 176	3, 227, 194
July.....	49, 371	18	10, 989	2, 262	-10, 000	19, 380	52, 300	3, 263, 332
August.....	211, 685	79	11, 024	2, 262	* 5, 161	28, 359	230, 657	3, 461, 811
September.....	3, 435	690	11, 758	2, 262	218, 300	31, 463	5, 358	3, 451, 915
October.....	43, 949	100	11, 924	2, 526	-12, 000	31, 487	46, 932	3, 481, 514
November.....	231, 075	115	11, 882	2, 526	-10, 000	29, 480	275, 720	3, 698, 296
December.....	3, 517	836	12, 012	2, 526	262, 339	27, 382	5, 204	3, 688, 110
1943								
January.....	37, 117	164	12, 386	1, 809	-10, 000	24, 987	40, 775	3, 711, 197
February.....	236, 743	244	12, 548	1, 809	-13, 000	25, 434	275, 958	3, 933, 827
March.....	2, 858	946	13, 605	1, 809	260, 600	24, 793	4, 389	3, 922, 216
April.....	43, 407	306	13, 547	2, 566	-13, 000	24, 238	45, 543	3, 949, 815
May.....	264, 568		13, 721	2, 566		24, 509	293, 552	4, 198, 066
June.....	2, 769	83, 907	13, 909	2, 566	356, 800	24, 495	6, 966	4, 268, 296

<sup>1</sup> Beginning July 1940, trust fund appropriations equal taxes collected under Federal Insurance Contributions Act.<sup>2</sup> Interest on investments held is credited annually in June; on investments redeemed, in month of redemption.<sup>3</sup> Based on checks cashed and returned to Treasury.<sup>4</sup> Minus figures represent net total of notes redeemed.<sup>5</sup> Prior to July 1940, includes balance of appropriation available for transfer.<sup>6</sup> Includes \$161,000 accrued interest paid on investments.

Source: Daily Statement of the U. S. Treasury.

Table 8.—Status of the railroad retirement account, by specified period, 1938-43

[In thousands]

Period	Receipts			Transfers from appropriation to trust fund	Benefit payments <sup>1</sup>	Assets at end of period			
	Amount appropriated	Interest received	Total			3-percent special Treasury notes	To credit of appropriation <sup>2</sup>	To credit of disbursing officer	Total
Cumulative through June 1943.....	* \$854, 151	\$17, 349	\$871, 500	\$854, 151	\$676, 604	\$178, 000	\$4, 120	\$12, 776	\$194, 896
Fiscal year:									
Through June 1938.....	146, 500	1, 411	147, 911	146, 406	79, 849	66, 200	234	1, 628	68, 062
1938-39.....	118, 250	2, 202	120, 452	107, 094	105, 774	67, 200	13, 206	2, 334	82, 740
1939-40.....	120, 150	2, 283	122, 433	120, 650	113, 099	79, 400	10, 847	1, 826	92, 073
1940-41.....	* 113, 600	2, 534	116, 134	124, 350	121, 174	74, 000	2, 503	10, 530	87, 033
1941-42.....	140, 850	3, 143	143, 993	140, 850	126, 244	91, 500	1, 597	11, 646	104, 782
1942-43.....	214, 801	5, 777	220, 578	214, 801	130, 465	178, 000	4, 120	12, 776	194, 896
1942									
June.....		1, 591	1, 591	0	10, 759	91, 500	1, 597	11, 686	104, 782
July.....	214, 801	14	214, 815	112, 601	10, 820	195, 000	102, 239	11, 540	308, 777
August.....		46	46	0	10, 721	184, 000	113, 289	813	298, 102
September.....		73	73	0	10, 718	173, 000	102, 328	12, 130	287, 458
October.....		92	92	33, 500	10, 805	196, 000	68, 851	11, 895	276, 745
November.....		129	129	0	10, 703	185, 000	68, 850	12, 322	266, 172
December.....		157	157	0	10, 763	174, 000	68, 868	12, 697	255, 566
1943									
January.....		184	184	34, 000	10, 816	197, 000	34, 890	13, 044	244, 934
February.....		193	193	0	10, 837	187, 000	34, 900	12, 391	234, 291
March.....		238	238	0	11, 089	176, 000	34, 944	12, 495	223, 440
April.....		241	241	34, 700	11, 073	200, 000	248	12, 360	212, 607
May.....		292	292	0	11, 045	189, 000	302	12, 552	201, 854
June.....		4, 117	4, 117	0	11, 076	178, 000	4, 120	12, 776	194, 896

<sup>1</sup> Based on checks cashed and returned to Treasury.<sup>2</sup> Represents balances in appropriation and trust fund accounts, including net credit from adjustments such as cancellations and repayments.<sup>3</sup> Appropriation reduced by transfer of \$9 million in October 1940 to

prior-service account for collection of service and compensation data of railroad workers prior to 1937.

Source: Daily Statement of the U. S. Treasury.

million of special Treasury notes and \$125 million of 2½-percent publicly offered Treasury bonds. The special notes acquired bear different interest rates, determined by the computed average rate of interest on the interest-bearing public debt prevailing at the end of the month preceding the one in which they were issued. The amounts of notes acquired at the various interest rates were: \$240 million at 2½ percent, \$459 million at 2 percent, and \$735 million at 1½ percent.

Benefit payments, on a checks-cashed basis, totaled \$13.9 million in June, 29 percent more than in June 1942. During the fiscal year, \$149 million was paid in benefits, slightly less than the \$155 million estimated in the 1944 budget. Cumulative benefit payments from the fund as of June 30, 1943, totaled \$359 million, of which 1942-43 payments represented more than 40 percent.

Reimbursements from the fund to the Treasury for administrative expenses for the entire fiscal year amounted to \$27.5 million, or \$726,000 more than last year.

### Railroad Retirement Account

The assets of the railroad retirement account at the end of June 1942 totaled \$105 million (table 8). Receipts during the last fiscal year included the 1942-43 appropriation of \$215 million, and \$5.8 million in interest. Benefit payments during this period amounted to \$130 million. Assets as of June 30, 1943, were \$195 million, including \$178 million in 3-percent special Treasury notes, a \$4.1 million balance in the appropriation account, and \$12.8 million to the credit of the disbursing officer.

### Unemployment Trust Fund

The assets of the unemployment trust fund as of June 30 were 39 percent greater than at the end of 1941-42 (table 9). Total investments of the fund as of June 30 were \$4,367 million, on which the average interest rate was 1.891 percent as compared with 2.252 percent a year ago.

State deposits in the trust fund during the fiscal year exceeded 1941-42 deposits by 11 percent. Withdrawals were 53 percent less than in 1941-42

Table 9.—Status of the unemployment trust fund, by specified period, 1936-43<sup>1</sup>

[In thousands]

Period	Total assets at end of period	Net total of Treasury certificates and bonds acquired	Unexpended balance at end of period	Undistributed interest at end of period <sup>2</sup>	State accounts				Railroad unemployment insurance account			
					Deposits	Interest credited	Withdrawals <sup>3</sup>	Balance at end of period	Deposits	Interest credited	Benefit payments	Balance at end of period <sup>4</sup>
Cumulative through June 1943.....	\$4,372,460	\$4,367,000	\$5,460	-----	\$5,935,035	\$265,815	\$2,002,380	\$4,002,569	\$274,303	\$15,545	\$43,242	\$369,888
Fiscal year:												
1936-37.....	312,389	293,386	94	-----	291,703	2,737	1,000	312,389	-----	-----	-----	-----
1937-38.....	884,247	559,705	12,247	-----	747,660	15,172	190,975	884,247	-----	-----	-----	-----
1938-39.....	1,280,539	395,000	13,539	-----	811,251	26,837	441,795	1,280,539	-----	-----	-----	-----
1939-40.....	1,724,862	443,000	14,862	-----	859,864	37,524	484,764	1,693,164	44,249	202	14,552	31,609
1940-41.....	2,283,658	563,000	10,658	-----	892,023	45,893	537,343	2,093,737	61,347	3,059	17,784	189,921
1941-42.....	3,150,103	866,000	11,103	-----	1,095,991	61,998	368,070	2,883,654	76,266	5,424	9,072	266,447
1942-43.....	4,372,460	1,228,000	5,460	-----	1,217,686	75,563	174,334	4,002,569	92,441	6,861	1,834	369,888
1942												
June.....	3,150,103	33,000	11,103	-----	8,582	33,118	28,790	2,883,654	19,661	2,898	243	266,447
July.....	3,170,833	23,000	8,833	\$6	51,883	-----	31,050	2,904,487	78	-----	187	266,338
August.....	3,364,170	190,159	12,010	6	215,907	-----	29,798	3,090,596	1,440	-----	185	273,566
September.....	3,370,417	7,000	11,258	-----	8,720	46	22,519	3,076,843	20,203	10	207	293,572
October.....	3,404,682	38,000	7,523	20	49,813	-----	15,466	3,111,190	95	-----	197	293,470
November.....	3,635,512	191,000	47,353	20	241,689	-----	11,548	3,341,331	846	-----	158	294,158
December.....	3,698,008	98,841	11,008	-----	12,929	34,754	10,300	3,378,714	22,110	3,164	141	319,291
1943												
January.....	3,726,317	30,000	9,317	-----	39,972	-----	11,530	3,407,156	57	-----	190	319,158
February.....	3,977,252	253,000	7,252	-----	261,206	-----	11,243	3,657,119	1,144	-----	173	320,129
March.....	4,000,027	22,000	8,027	-----	11,209	-----	10,955	3,657,373	22,681	-----	160	342,650
April.....	4,027,054	24,021	11,033	-----	34,839	-----	7,780	3,684,432	86	-----	118	342,618
May.....	4,298,319	269,000	13,299	-----	276,672	-----	5,758	3,955,346	423	-----	71	342,970
June.....	4,372,460	81,979	5,460	-----	12,848	40,763	6,388	4,002,569	23,278	3,687	47	369,888

<sup>1</sup> Beginning July 1939, contains separate book account for railroad unemployment insurance, in which are held moneys deposited by the Railroad Retirement Board and from which the Secretary of the Treasury makes benefit payments as certified by the Railroad Retirement Board. Contains also separate account for each State agency, in which are held all moneys deposited from State unemployment funds and from which State agencies withdraw amounts as required for benefit payments.

<sup>2</sup> Interest on redeemed Treasury certificates, received by fund at time of redemption but credited to separate accounts in last month of each quarter.

<sup>3</sup> Includes transfers from State accounts to railroad unemployment insurance account amounting to \$105,901,000.

<sup>4</sup> Includes transfers from railroad unemployment insurance administration fund amounting to \$17,382,967.

<sup>5</sup> Includes \$159,000 accrued interest paid on investments.

<sup>6</sup> Includes \$20,604 accrued interest paid on investments.

Source: Daily Statement of the U. S. Treasury.



Table 10.—Receipts and expenditures in railroad unemployment insurance account, July 1939–June 1943

Period	Receipts					Benefit payments certified	Balance at end of period
	Total	Contributions	Transfers from State accounts	Transfers from administration fund	Interest credited		
<b>Fiscal year:</b>							
1939-40 <sup>1</sup>	\$46,261,928	\$44,259,265	\$1,800,818		\$201,845	\$14,809,692	\$31,452,236
1940-41	176,024,492	61,365,108	104,099,951	\$7,500,000	3,059,433	17,699,137	189,777,591
1941-42	85,479,317	76,146,512		3,909,667	5,423,138	8,890,442	266,366,466
1942-43	105,256,395	92,405,756		5,973,300	6,857,072	1,756,106	369,846,488
<b>1942</b>							
July	6,361,340	388,040		5,973,300		148,236	272,579,570
August	19,865,799	19,865,799				218,762	291,926,607
September	3,269,169	1,752,934			1,516,235	204,345	294,991,431
October	338,640	338,640				187,823	295,142,248
November	19,351,041	19,351,041				153,474	314,339,815
December	5,028,589	3,372,607			1,655,982	151,625	319,216,779
<b>1943</b>							
January	294,472	294,472				200,039	319,311,212
February	15,750,087	15,750,087				157,914	334,903,385
March	9,628,659	7,843,637			1,785,122	139,704	344,392,340
April	533,495	533,495				103,911	344,821,924
May	22,755,307	22,755,307				51,548	367,525,683
June	2,379,797	459,797			1,899,733	38,725	369,846,488

<sup>1</sup> Excludes a Treasury advance of \$15,000,000 received in July 1939 and repaid in January 1940.

<sup>2</sup> \$7,901 interest on refund of contributions deducted.

Source: Based on reports of the Division of Finance of the Railroad Retirement Board.

and 40 percent less than the estimate of \$290 million in the 1944 budget.

Total balances to the credit of the State accounts on June 30 amounted to \$4,003 million, an increase of 39 percent during the year. The balance in the railroad unemployment insurance account increased in the same proportion.

All special obligations held by the unemployment trust fund, totaling \$4,175 million, matured at the end of the fiscal year, and the proceeds were reinvested in 1½-percent special certificates, together with \$82 million of new funds. Net additional investments acquired throughout the fiscal year amounted to \$1,228 million. All but \$85 million of the new securities were in the form of

special certificates of indebtedness, the remainder consisting of 2½-percent Treasury bonds.

#### Railroad Unemployment Insurance Account

At the beginning of the year the balance in the railroad unemployment insurance account was \$266,366,000 to which was added \$92,406,000 in contributions, \$5,973,000 transferred from the administration fund, and \$6,857,000 interest. Expanded employment, higher wage rates, and much more overtime yielded 21 percent more contributions than in the preceding year. Benefit payments amounting to \$1,756,000 were certified, leaving a balance at the end of the year of \$369,846,000.

# Recent Publications in the Field of Social Security

## WAR AND SOCIAL SERVICES

ADLER, STUART W. "Medical Care for Dependents of Men in Military Service." *American Journal of Public Health*, New York, Vol. 33, No. 6 (June 1943), pp. 645-650.

How the New Mexico Department of Public Health has used the funds made available from the U. S. Children's Bureau "to insure medical and, when necessary, hospital care in soldiers' families when such attention was not otherwise available."

COPP, TRACY. "The Physically Disabled and War Manpower." *Public Welfare*, Chicago, Vol. 1, No. 6 (June 1943), pp. 176-180.

"German Employment Policy." *International Labour Review*, Montreal, Vol. 48, No. 1 (July 1943), pp. 95-97.

GRAY, CARL A. *A Post War Plan Suggested by Carl A. Gray*. Washington: U. S. Government Printing Office, 1943. 28 pp. (78th Cong., 1st sess. S. Doc. 65.)

A Connecticut manufacturer suggests a program whereby "the sifting and training facilities that now operate to put men into the armed services can be utilized in conjunction with educational facilities in local communities to fit the returning serviceman into peaceable pursuits." Advocates extensive use of the U. S. Employment Service for training and placement.

GROSSMAN, LT. HARRY. "Security for the Dependents of Men in Service." *Lawyers Guild Review*, Washington, Vol. 3, No. 3 (May-June 1943), pp. 1-6.

A description of family allowances for American servicemen, with an account of the work of the Office of Dependency Benefits of the War Department. Includes statistics.

HALPIN, EDWARD J. *Benefits for Servicemen and Their Dependents*. Hollywood, Calif.: Ver Halen Publications, 1942. 192 pp.

Detailed information on veterans' benefits and related matters, with suggestions as to the records which individuals should keep.

HINRICHS, A. F. "The Crucial Months." *American Federationist*, Washington, Vol. 50, No. 7 (July 1943), pp. 16-17 ff.

A discussion of post-war demobilization.

HOEY, JANE M. "Families in Need in Wartime." *Survey Graphic*, New York, Vol. 32, No. 7 (July 1943), pp. 287-289 ff.

The public aid problem today.

NATIONAL POLICY COMMITTEE. *Report of Two Sessions in Philadelphia: Manpower in the Philadelphia Area; The Beveridge Report and Postwar Social Security*. Philadelphia: The Committee, 1943. 24 pp. Processed.

RICHERS, E. J., and JACK, L. B. "The Transition From War to Peace Economy; Analysis of an International Report." *International Labour Review*, Montreal, Vol. 48, No. 1 (July 1943), pp. 1-22.

Summarizes and analyzes the main argument and conclusions of the recent League of Nations publication, *The Transition From War to Peace Economy*.

STEINER, GEORGE A. *Economic Problems of War*. New York: John Wiley & Sons, 1942. Various paging.

Contains 26 essays on the war economy, foreign and domestic. Labor controls, social insurance, pay-roll taxes, and unemployment, and programs of public works in the post-war period are among the subjects discussed.

U. S. FEDERAL SECURITY AGENCY. *General Statement of the War Civilian Security Program as It Affects Members of the United States Citizens Defense Corps of the Office of Civilian Defense, Aircraft Warning Service, and Civil Air Patrol*. Washington: U. S. Government Printing Office, 1943. 24 pp.

## GENERAL

AMERICAN FEDERATION OF LABOR. COMMITTEE ON SOCIAL SECURITY. *Social Security Bulletins*. Washington: The Federation, 1943.

The first 13 of these bulletins set forth the Federations' position on social security. The points advocated include wider coverage and improved benefits generally, a national system of employment offices and unemployment compensation, variable grants for public assistance, and compulsory insurance for hospitalization, temporary disability, and sickness generally.

BEVERIDGE, SIR WILLIAM. "Health and Security in Britain." *Survey Graphic*, New York, Vol. 32, No. 7 (July 1943), pp. 285-286 ff.

"Discussion in the Southeast; APWA Regional Conference, Asheville, N. C.—June 4-5, 1943." *Public Welfare*, Chicago, Vol. 1, No. 7 (July 1943), pp. 224-225.

Summarizes discussion at the southeastern regional conference of the American Public Welfare Association, with excerpts from an address by Arthur J. Altmeyer on proposed changes in the social security program.

FISHER, R. A. "The Birthrate and Family Allowances." *Agenda* (Royal Institute of International Affairs), London, Vol. 2, No. 2 (May 1943), pp. 124-133.

Considers population and population planning in Great Britain and suggests, in the case of public employees, that an "equitable system would be to allot a fraction of each salary, let us say 7 per cent, to an equalization pool, out of which payments of approximately 10 per cent could be made for each dependent child."

FOLSOM, MARION B. "Our Own Social Security Needs." *Nation's Business*, Washington, Vol. 31, No. 3 (March 1943), pp. 74-80.

Discusses and evaluates proposed changes in old-age and survivors insurance, unemployment compensation (including proposed federalization and experience rating), and various types of medical care.

GREAT BRITAIN. COLONIAL OFFICE. *Development and Welfare in the West Indies, 1940-1942*. Report by Sir Frank Stockdale. London: H. M. Stationery Office, 1943. 93 pp. (Colonial Paper No. 184.)

This is the first report of the Comptroller for Development and Welfare in the West Indies, a post created in 1940 to work with the local authorities in developing long-range programs of social reform, development, and welfare. Includes sections on public health, labor, social welfare, and other topics.

HAYS, ARTHUR GARFIELD, and POLLOCK, CHANNING.

*From Cradle to the Grave?* New York: American Economic Foundation, 1943. 15 pp. ("Wake Up, America!" radio forum broadcast, Apr. 25, 1943.)

General arguments for and against the principle of social security.

MINNEAPOLIS. CITY PLANNING COMMISSION. *Program for Post War Progress*. Minneapolis, Feb. 17, 1943. 57 pp. Processed.

A nonstatistical discussion of economic trends in Minneapolis; advocates individual effort and research in private business, with an adequate backlog of public works to assist in absorbing the shock of the post-war transition.

NEILL, THOMAS P. "Report of NRPB May Help Win Peace." *America*, New York, Vol. 79, No. 11 (June 19, 1943), pp. 287-288.

OPPENHEIMER-BLUHM, HILDE. *The Standard of Living of German Labor Under Nazi Rule*. New York: New School for Social Research, 1943. 71 pp. (*Social Research*, Supplement V.)

Analyzes, with information on social security taxes and benefits, the money income and the real income of German workers and the efforts required of labor.

"Pauley Views Social Program Costs Economically, Socially, Politically." *Eastern Underwriter*, New York, Vol. 44, No. 28 (July 9, 1943), pp. 28-29.

Excerpts from an address by the president of the Insurance Economics Society of America criticizing recent proposals for enlarged social security programs.

PEDLEY, W. H. *Labour on the Land; A Study of the Developments Between the Two Great Wars*. London: P. S. King, 1942. 199 pp.

A study of the conditions of British farm labor, with material on wages, hours, housing, health services, education, and related matters. Includes a discussion of unemployment insurance.

PUERTO RICO. SOCIAL SECURITY COMMISSION. *Report to the Honorable Governor of Puerto Rico, February 5, 1943*. San Juan, 1943. 70 pp.

A statement of the dependency problem in Puerto Rico, with recommendations for a program of public assistance, the provisions of which are coordinated with the Federal Social Security Act. Includes statistical tables and proposed draft bills. The Committee, which was created in April 1941 by action of the Legislative Assembly of Puerto Rico, is also to publish a report on social insurance for Puerto Rico.

"Quebec Federation of Labor Meets Government." *Canadian Congress Journal*, Ottawa, Vol. 22, No. 6 (June 1943), pp. 8-11.

Includes the recommendations of the Quebec Provincial Federation of Labor to the Government of Quebec on social security, old-age pensions, and workmen's compensation.

"Re-employment and Reconstruction Planning in South Africa." *International Labour Review*, Montreal, Vol. 48, No. 1 (July 1943), pp. 73-75.

Summarizes information and recommendations issued by the Social and Economic Council of the Union of South Africa.

"Report of Meeting of Public Aid Policies Committee, American Public Welfare Association, Washington, D. C.—May 6, 1943." *Public Welfare*, Chicago, Vol. 1, No. 7 (July 1943), pp. 218-223.

The Public Aid Policies Committee is a successor to the Relief Policies Committee of the APWA. Its first meeting considered all the principal programs under the Social Security Act, as well as related public aid issues.

ROBSON, WILLIAM A. "The Beveridge Report: An Evaluation." *Political Quarterly*, London, Vol. 14, No. 2 (April-June 1943), pp. 150-163.

ROBSON, WILLIAM A., Editor. *Social Security*. London: Published for the Fabian Society by George Allen & Unwin, 1943. 447 pp.

Sixteen papers, four on the Beveridge report and twelve which provide an up-to-date factual analysis and evaluation of British social insurance, assistance, medical care, war pensions, and other social services. The objectives of the work, which was begun before appointment of the Beveridge committee, are to "examine critically" the present British system and, "in the light of the Beveridge Report, to discuss the fundamentals of a social security scheme at once comprehensive, unified, consistent and based on intelligible principles."

"Social Insurance Fund for Inland Navigation in Colombia." *International Labour Review*, Montreal, Vol. 48, No. 1 (July 1943), p. 116.

Outlines a system established by industrial arbitration which covers workers in 40 Colombian unions.

"Social Insurance Reform in Panama." *International Labour Review*, Montreal, Vol. 48, No. 1 (July 1943), pp. 113-115.

Summarizes Act No. 134 of April 27, 1943, which modifies the 1941 Panama legislation establishing compulsory social insurance.



"Social Security and the Canadian Constitution." *The Economist*, London, Vol. 144, No. 5208 (June 19, 1943), p. 792.

Advocates a method of changing the Canadian constitution from "within Canada" as a means of unifying and enlarging the social services now maintained by the Provinces.

STERNER, RICHARD. *The Negro's Share; A Study of Income, Consumption, Housing and Public Assistance*. New York and London: Harper, 1943. 433 pp.

In two parts—"Living Conditions" and "Social Welfare," the latter providing one of the few special studies of social security among Negroes. It includes chapters on their participation in relief, WPA, public aid for youth, categorical assistance, farm security, and housing.

SUTCH, W. B. *The Quest for Security in New Zealand*. London and New York: Penguin Books, 1942. 160 pp.

A popularly written economic and social history.

TAGLIACCOZZO, GIORGIO. *The Beveridge Plan and the Italian Legislation on Social Security*. Washington: Bureau of Latin American Research, February 1943. 31 pp. Processed.

WAGNER, ROBERT F. "Social Security Lifts its Sights." *Survey Graphic*, New York, Vol. 32, No. 7 (July 1943), pp. 283-284 ff.

A description of the Wagner-Murray-Dingell bill (S. 161 and H. R. 2861).

WAGNER, ROBERT F. Speech Describing Proposed Social Security Act Amendments of 1943. *Congressional Record*, Washington, Vol. 89, No. 101 (June 3, 1943), pp. 5342-5352.

Includes summary of the Wagner-Murray-Dingell bill and supplementary statistical data. Senator Wagner has issued the speech separately, without the tables, under the title *Pay-as-You-Earn Now for Post-War Social Security*.

WAGNER, ROBERT F. "We Need More Social Security." *American Federationist*, Washington, Vol. 50, No. 6 (June 1943), pp. 7-8.

An account of the Wagner-Murray-Dingell bill, describing some differences between its provisions and those of the Beveridge plan.

WESTEFELD, ALBERT. *Getting Started; Urban Youth in the Labor Market*. Washington: U. S. Government Printing Office, 1943. 193 pp. (Work Projects Administration, Research Monograph 26.)

An analysis of data from eighth-grade graduates in seven American cities, giving their employment experiences from the time they completed the eighth grade to a period 7 to 9 years later. Special attention is given to the stages of transition from students to productive workers, the degree of success attained, and the social and economic factors affecting this success.

WOODS, E. CHARLES. "A Proposed Reorganization of the Executive Branch of the Federal Government." *American Political Science Review*, Menasha, Wis., Vol. 37, No. 3 (June 1943), pp. 476-490.

Suggests a new administrative structure with seven departments, among them a Department of Public Welfare to include the Federal Security Agency, the Federal Works Agency, a National Labor Board, and the Departments of Agriculture, Commerce, Labor, the Interior, and the Post Office.

## OLD-AGE AND SURVIVORS INSURANCE

DES MOINES. TEACHERS' PENSION AND ANNUITY RETIREMENT SYSTEM. *Seventh Annual Report of the Secretary to the Board of Trustees, 1941-42*. Des Moines, 1942. 6 pp. Processed.

DETROIT. TEACHERS' RETIREMENT FUND BOARD. *Annual Report . . . Year Ending August 31, 1942*. Detroit, 1942. 11 pp.

GILES, RAY. "We Have a Beveridge Plan." *Liberty*, New York, Vol. 20, No. 28 (July 10, 1943), pp. 22-24 ff.

An explanation, with examples, of benefits under old-age and survivors insurance. Also outlines and advocates possible expansion of social security.

MONTANA. TEACHERS RETIREMENT SYSTEM. *Report as of June 30, 1942, for the Period Beginning July 1, 1940 and ending June 30, 1942*. Place not given, no date. 7 pp. Processed.

NEW JERSEY. BOARD OF TRUSTEES, TEACHERS' PENSION AND ANNUITY FUND. *Twenty-Third Annual Report* [year ended June 30, 1943]. Trenton, no date. 61 pp.

PENNSYLVANIA. PUBLIC SCHOOL EMPLOYEES' RETIREMENT BOARD. *Twenty-Second Annual Report . . . for the Year Ending June 30, 1941*. Harrisburg, no date. 116 pp.

## EMPLOYMENT SECURITY

AMERICAN ASSOCIATION FOR SOCIAL SECURITY. *Experience Rating Versus Social Security*. New York: The Association, 1943. 8 pp.

Presents the main arguments against experience rating in unemployment compensation.

HOFFMAN, PAUL G. "Business Plans for High Levels of Postwar Productive Employment." *State Government*, Chicago, Vol. 16, No. 7 (July 1943), pp. 151-153 ff.

By the chairman of the Committee for Economic Development, a nongovernmental business organization which is cooperating with the U. S. Department of Commerce.

MEEHAN, WILLIAM C. "Plan Your Work and Work Your Plan." *Monthly Bulletin* (Connecticut Employment Security Division and U. S. Employment Service), Hartford, Vol. 8, No. 4 (April 1943), pp. 1-2 ff.

How the Unemployment Compensation Department of the Connecticut Employment Security Division speeded up the processing of wage reports through planning the flow of operations.

MISSOURI. UNEMPLOYMENT COMPENSATION COMMISSION. *Pattern of Industry in Missouri: Totals and Trends in Respect to Workers in Covered Employment and Wages Paid to Same by Liable Employing Units During 1940, 1941 and 1942, by Industry Division and Major Industry Group.* Prepared by Department of Research and Statistics. Jefferson City, May 1, 1943. 24 pp. Processed. (Statistical Source Bulletin No. 1.)

The first of a new series of publications giving source data from Missouri unemployment compensation operations.

NORTH CAROLINA. UNEMPLOYMENT COMPENSATION COMMISSION. *Industrial Trends in North Carolina, 1940-1942.* Prepared by Bureau of Research and Statistics. Raleigh, 1943. 87 pp. Processed.

Tables, text, and charts based on unemployment compensation data for North Carolina.

"Recent Developments in Railroad Employment." *Monthly Review of the Railroad Retirement Board*, Chicago, Vol. 4, No. 6 (June 1943), pp. 111-115. Processed.

## PUBLIC WELFARE AND RELIEF

BRANSCOMBE, MARTHA. *The Courts and the Poor Laws in New York State, 1784-1929.* Chicago: University of Chicago Press, 1943. (Social Service Monographs.)

A study of the decisions of the higher State courts of New York respecting poor relief, with analysis of the effect of the interpretations on administration and on current welfare concepts. The fields covered include the foreign-born, family liability for support, settlement, medical care, dependent children, and the basic poor-law and welfare legislation at different periods.

CALIFORNIA. LEGISLATURE. SENATE. FACT-FINDING COMMITTEE. *Care of Children and Aged in California.* Sacramento, 1943. 32 pp.

Deals almost entirely with children's homes in California, and includes State legislation, standards, and administrative responsibility for supervision. Describes improperly conducted homes in Los Angeles and recommends amendments in the Welfare and Institutions Code.

CANADIAN WELFARE COUNCIL. *Analysis of Mothers' Allowances Legislation in Canada.* Ottawa: The Council, May 1943. 32 pp. Processed. (Publication No. 82A, revised.)

A systematic survey, by Provinces, of the principal characteristics of mothers' allowances. Includes summary statistics.

CHAMBERLAIN, FERN L. "Streamlining Red Tape." *Public Welfare in South Dakota*, Vol. 6, No. 6 (June 1943), pp. 1-4. Processed.

Changes in reporting and recording procedures effected recently in the South Dakota Department of Social Security.

CLOSE, KATHRYN. "Day Care up to Now." *Survey Monthly*, New York, Vol. 79, No. 7 (July 1943), pp. 194-197.

DIMOND, BLANCHE F. "The Basis for Adequate Standards of Assistance." *Public Welfare*, Chicago, Vol. 1, No. 6 (June 1943), pp. 181-187.

Discusses standard budgets, standards of resources, and methods of determining the amount of assistance payments.

DRAKE, RUSSELL P., and LEIRFALLON, JARLE. "Organization and Administration of Local Public Welfare Services: Parts I and II—Organization of Client Services." *Public Welfare*, Chicago, Vol. 1, Nos. 6 and 7 (June and July 1943), pp. 167-175, 206-210.

These are the first of six articles on the "organization and administrative problems of local public welfare agencies, especially the smaller agencies, where substantial specialization of staff for administrative purposes is impossible." Both parts deal chiefly with case work, the second discussing case-work supervision.

GREAT BRITAIN. ASSISTANCE BOARD. *Assistance Board Handbook.* London, December 1942. 66 pp.

A comprehensive manual for staff members of the Assistance Board. Includes history, administration, computation of benefits, procedure, bibliography, glossary, and other material.

NEW JERSEY. DEPARTMENT OF INSTITUTIONS AND AGENCIES. *Survey of Need for Day Care Among Children of Working Mothers in New Jersey.* Trenton, February 1943. 4 pp. Processed.

NORTH CAROLINA. STATE BOARD OF CHARITIES AND PUBLIC WELFARE. *A History of Work Among Negroes.* Place not given: The Board, 1943. 12 pp. Processed.

Negro welfare work in North Carolina since its establishment in the State Board of Charities and Public Welfare.

"Personnel Services." *Monthly Caseload Report* (Department of Public Assistance, Philadelphia County Board), Philadelphia, May 1943, pp. 1-11. Processed.

A detailed account of personnel organization and functions in the Philadelphia Department of Public Assistance.

"The Personnel Situation in Public Welfare Agencies; Report of Personnel Committee of the American Public Welfare Association." *Public Welfare*, Chicago, Vol. 1, No. 7 (July 1943), pp. 211-217.

"The Prediction of OAA Caseloads." *Rhode Island Welfare* (Department of Social Welfare), Providence, Vol. 3, No. 6 (June 1943), pp. 4-8. Processed.

A study of methodology.

SADOW, SUE E. "Budgetary Principles and Problems in Mutual Assistance Programs." *Public Welfare*, Chicago, Vol. 1, No. 7 (July 1943), pp. 198-205.

Part one of a paper dealing with proper budgeting for "composite cases," i. e., families receiving two or more types of assistance.

## HEALTH AND MEDICAL CARE

BRUCE, WILLIAM R. "PHS Tries Fee-for-Service Plan in a Florida Town." *Medical Economics*, Rutherford, N. J., Vol. 20, No. 10 (July 1943), pp. 45-50.

Details of "the first experiment of its kind," in which the U. S. Public Health Service "has sent one of its own salaried medical officers to a Florida town [Valparaiso] to treat the civilian population on a fee-for-service basis."

CALIFORNIA CONFERENCE OF SOCIAL WORK. *Rehabilitation and Placement of the Disabled. Proceedings of . . . the Program of the Pacific Zone of the American Society for the Hard of Hearing*. Los Angeles (1209 Crenshaw Blvd.): American Society for the Hard of Hearing, Pacific Zone, 1943. 30 pp.

Papers and discussion on the rehabilitation of hard-of-hearing children and disabled ex-service men and women, workers, and civilians.

CANADA. PARLIAMENT. HOUSE OF COMMONS. SPECIAL COMMITTEE ON SOCIAL SECURITY. *Minutes of Proceedings and Evidence, No. 1, Tuesday, March 16, 1943*. Ottawa: King's Printer, 1943. 43 pp.

Consists chiefly of the testimony of I. A. Mackenzie, Minister of Pensions and National Health, regarding the proposed Canadian health insurance bill.

"Conditions of Work of Hospital Employees in the United States." *International Labour Review*, Montreal, Vol. 48, No. 1 (July 1943), pp. 56-63.

GAFNER, WILLIAM M., and SITGREAVES, ROSEDITH. "Studies on the Duration of Disabling Sickness: IV—Duration of Disability From the Nonrespiratory-Nondigestive Diseases Among Male Employees With Particular Reference to the Older Worker." *Public Health Reports*, Washington, Vol. 58, No. 26 (June 25, 1943), pp. 969-979.

A detailed analysis of 1933-39 data from the sick-benefit organization of an oil-refining company.

GREENIK, E., and PARRY, DOROTHY J. "The Maternity Services in England and Wales Before the War." *Agenda* (Royal Institute of International Affairs), London, Vol. 2, No. 2 (May 1943), pp. 133-146.

HILL, CHARLES. "Future of Medical Services." *British Medical Journal*, London, June 12, 1943, pp. 732-733.

A discussion by the Deputy Secretary of the British Medical Association.

"Labour and State Medicine." *British Medical Journal*, London, June 19, 1943, pp. 761-762.

An editorial on the attitude of the Labour Party in England toward a state medical service.

"Medical Care." *Public Welfare in South Dakota*, Vol. 6, No. 6 (June 1943), pp. 5-6.

Summarizes information received from the county directors of social security in South Dakota respecting local policies for hospitalization and medical care of the "medically indigent" in the State.

STARK, MURRAY D. *Health for All*. London: Victor Gollancz, 1942. 143 pp.

Advocates a socialized medical service for Great Britain, based on health centers which would provide, in one unit, virtually complete services, including dental care. Includes some information on medical care in New Zealand, the United States, South Africa, and the U. S. S. R.

U. S. NATIONAL RESOURCES PLANNING BOARD. *Human Conservation; The Story of Our Wasted Resources*. Washington: U. S. Government Printing Office, 1943. 126 pp.

A discussion, with many tables and charts, of "preventable human waste" in the United States, from the prenatal period to old age. Considers accidents, illness, malnutrition, mental ill health, and the causes of death in each age group. Includes population data.

WEIGERT, HELGA. "Labor's Health Programs in Three Cities." *Medical Care*, Baltimore, Vol. 3, No. 2 (May 1943), pp. 103-116.

A description of organized health movements in Buffalo, Detroit, and Cleveland, either organized by trade unions or actively sponsored by them.

WERTZ, CARLTON E. "A Practical Prepayment Medical Plan." *Hospitals*, Chicago, Vol. 17, No. 6 (June 1943), pp. 53-55.

Describes the Western New York Medical Plan, of which the author is president.